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Canadian Mining News Department Last Three Pages

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The Nation's Business

Ferguson Asks For Business Men to Run Empire

Canadian Architect For Ottawa Work

More on the Merger

THE last Imperial Conference, which produced a definition of the constitutional position of the Dominions but which did not find time adequately to discuss the economic and population problems of the empire, is recalled by speeches in England by Premier G. Howard Ferguson of Ontario. The recollection occurs because of the contrast between the two. Mr. Ferguson has been assuring Britain of Canada's willingness to advance the idea of the British Empire as an economic entity, able to meet the competition of any nation or group of nations in the world—"to control the world" as Mr. Ferguson, with pardonable fervor, expresses it.

* * *

AT THE Canada Club dinner in London, Mr. Ferguson aroused no little discussion by suggesting a United States of the British Empire. The Imperial Conference, he felt, would not bring it about. He suggested co-operation, not between politicians, but between men who have large business experience and interests, men who have studied Imperial problems from the economic standpoint and can give thought and advice to the various governments as to how to bring British nations closer together.

Mr. Ferguson said:

"The day is coming when we will have to take a strong position. We in Canada know more intimately than you the ambition of that great nation to the south of us. It is a worthy ambition, but I believe the world's peace and happiness and progress are safer in the hands of the British Empire than of any other nation.

"Some people take the view that it is a great disadvantage that the British Empire is scattered in so many portions of the world. On the other hand, I believe it to be a distinct advantage. Not only have you the strength of outposts strategically placed all over the world, but you have all the diversity of climatic and economic conditions that, if properly husbanded, will guarantee us a diversity of production that will make us invulnerable against any country in the world."

* * *

THIS is plain talking by Mr. Ferguson and should serve as a prelude to the Imperial conference of 1930. The fiasco of the last conference will not be repeated if men of the stamp of Mr. Ferguson sit around the conference table.

The British Empire can be made a great empire by the efforts of business and financial leaders and it can be influenced by them in that direction just as easily as it can disintegrate under the influence of professional politics.

* * *

A CANADIAN university student, who later finished at Oxford, was asked what impressed him most in English universities as differing from Canadian. He said he thought British universities emphasized a leadership in debate while in Canada leadership in sports was the ambition of the students. Leadership in debate meant clever manipulation of words and thought. The man who could in this way win in debate was at once picked out for a parliamentary or diplomatic career. The others took over the commercial and industrial undertakings of their plebeian but really able ancestors. Too many rich men's sons and college graduates in public life, diplomacy, commerce and industry are responsible for the present deplorable condition of British affairs. There is in Canada a tendency in the same direction in our public service. Charming young men, theoretical uplifters, and business failures are being put into some very important public jobs. Parliament, as in the U. S., should have more control over these appointments.

* * *

THE Dominion government have employed Sproatt & Rolph as architects of the latest departmental building. Judged by the formal recognition accorded these men by the architects of the United States and of Great Britain, it may be said that they stand at the top of their profession in Canada in public building design. In this appointment, the Dominion government has given leadership and an example to the provinces and municipalities, especially to Sproatt and Rolph's own native province. Many of our public buildings are nightmares. Architects are too frequently selected from among the ward heelers or other mediocrities, not from the men at the top of their profession. In Ontario especially the main parliament buildings are an atrocity.

* * *

ONE has only to study the editorial expressions of opinion in the daily and weekly press of Canada to realize that widespread misgivings have been created by the merger of the Commerce and Standard Banks. Whether one considers the viewpoints so expressed to be sound or unsound, whether one approves the merger as an economic move or not, one must recognize that any general feeling of mistrust is unfortunate both for the country as a whole and for the banking structure of the country in particular. The contention voiced by The Financial Post of a week ago that the merger would not be accepted with equanimity by the public is borne out by quotations from newspapers given elsewhere in this issue. There are favorable and welcoming quotations of course, but nevertheless a large number of influential

(Continued on page 2, col. two)

CAN. POWER MAY RETIRE SOME BONDS

May Eventually Use Part of Laurentide Money That Way

$10,800,000 IN CASH

One Share of Shawinigan and $150 in Cash for Laurentide Power Shares

From Our Own Correspondent

MONTREAL.—All is over in the sale of Laurentide Power Company to Shawinigan, save the shouting, which will take the form of the final ratification of the sale by the shareholders of Laurentide Power, according to all informed opinion.

In the sale, the Laurentide Power shareholders, it is said, will receive $150 in cash and one share of Shawinigan no par value stock for each share of Laurentide Power. The shareholders of Laurentide Power will meet shortly to confirm the action of the management in accepting the offer.

Laurentide Power has outstanding 105,000 common shares of $100 par value. Of these, the Canada Power and Paper Corporation, through its wholly-owned subsidiary, the Laurentide Company, owns 72,000 shares.

Canada Power Benefits

Hence, in the sale, the Canada Power and Paper Corporation receives $10,800,000 in cash and 72,000 shares of Shawinigan with a market value of $648,000. Obviously, the sale of the subsidiary property will again strengthen the already satisfactory liquid position of the Canada Power and Paper Corporation. At the close of 1927, after giving effect to the exchange of the Laurentide Company's securities with the shares of the merger company, the Canada Power and Paper had current assets of $19,500,000 as against current liabilities of only $6,135,000. In the last figure was included a bank loan of $1,800,000.

The sale will also increase very largely the annual revenue of the Canada Power and Paper Corporation, for the revenue which the company will receive from its Shawinigan shares and from the investment of the cash received in the transaction will be very materially in excess of the sum now received annually in dividends from the subsidiary power company. Laurentide Power has been paying $5 a share annually. Up to the present, the Canada Power and Paper Corporation has been receiving dividends at the rate of $360,000 a year.

Investment Revenue Larger

Through the sale of the subsidiary power company, the Canada Power and Paper Corporation will now receive from its Shawinigan holdings, $144,000 annually; from the investment of the $10,800,000 at, say 5 per cent., Canada Power will receive an additional income of $540,000; making in all a total annual revenue from the proceeds of the sale of some $684,000 as against an annual revenue up to present of $360,000

Averaged over the last two years, the consolidated earnings of the companies now composing the Canada Power and Paper Corporation, amounted to $1,596,869. This figure is after all charges, including depreciation and interest on the Canada Power's debenture. Through the Laurentide Power sale, the Canada Power's debentures Through the revenues by $324,000 annually—a figure equal approximately to 20 per cent of the net revenues applicable to the common stock averaged over the past two years

What Use for Money?

As the Canada Power and Paper already occupies a strong liquid position, there is a question of what use the corporation will make of the $10,800,000 in cash, resulting from the sale. As Canada Power and Paper has a somewhat complex financial structure, due to its several subsidiaries, it might well be that the management will eventually retire some of the underlying issues. These include:

Bonds—	
Canada Paper	$1,917,600
Belgo Canadian	9,224,000
St. Maurice Valley	11,585,730
Preferreds—	
Canada Paper	1,250,000
Belgo Canadian	5,000,000
St. Maurice Valley	10,000,000

In addition to the foregoing, the

(Continued on page 2, col. two)

Personality Triumphs in British Columbia

This is Explanation of Reversal on Coast—Canadian National Railways Dragged Into Campaign in Unfortunate Manner

By JOHN NELSON

THE general elections in the province of British Columbia have resulted in the overthrow of the Liberal government and the return to power of the Conservative party. The results have been variously interpreted in the press. Some have seen in the outcome a natural re-alignment of the people of the Pacific province on political lines which have existed for some years in Federal affairs. Other commentators content themselves with that convenient explanation of editors who have nothing better to offer, that the electors merely thought it was time for a change. Certainly no great difference divided the two parties, and no great mismanagement or scandal was in evidence when due allowance has been made for the disposition in the heat of the campaign for "Outs" to view with excessive alarm all the acts of the "Ins."

Seeking a Personality

If the composite act of so many people could be analyzed, the explanation might be found in something very much more human. More than in any province of the Dominion, with the possible exception of Quebec, the people of British Columbia give their allegiance to men, who, in Walt Whitman's phrase, "speak to them with the right voice." In British Columbia, personal loyalties and fealties are readily evoked. Perhaps, people who live in such colorful, almost magical surroundings as mark our Pacific coast, react more readily to color in their leaders. At any rate, the successful men in its public life have almost invariably had a strong personal appeal. They often lacked the practical abilities of less interesting personalities who wooed the electors with less success. The practically undisputed sway of Sir Richard McBride, for instance, was quite unjustified by genius in conception or thoroughness in the adminstration of government. In both, he was rather weak. He had, too, his own shares of human frailties. But his winsome nature and magnetic personality captivated and endeared him to the people who gave Dick, as everyone called him, their confidence in a measure almost embarrassing to him and to his government.

The late John Oliver was the antithesis of McBride. He was "of the earth, earthy," and redolent of the farm. In his first appearance in the legislature, superficial opponents saw only the emergence of another "Reuben" from the old home. They were unaware of the iron will and the consuming industry of the man. He was crude, but as was justly said of him, "he made crudeness count." Coatless and bootless, and munching apples or peppermints in a day coach, or waving his old straw hat blithely in the brilliant entourage of a royal prince, he showed a supreme indifference, almost a contempt, for the conventions that marked him as an unusual man. The people secretly liked his sturdy independence of social exactions, and they made no secret of their preference when they cast their votes.

Tolmie Has Bonhomie

Neither Mr. Bowser, who vainly sought to unhorse him, nor Dr. McLean who, on his death, succeeded him, had any of Mr. Oliver's or Sir Richard McBride's unusual attributes. Bowser was admittedly a superb administrator. Dr. McLean was establishing a good reputation under the same heading. He was dour, dependable and rather drab. Dr. Tolmie, whom the people of the province have now enthroned, is probably not superior to either of the two just mentioned in administrative powers. Indeed, he may be less efficient, but he has a bonhomie that is irresistible and was regarded as perhaps the most popular member on either side of the House of Commons. He has an almost Lincoln gift of homely metaphor and anecdote with which he is accustomed to point his arguments. He is a horsy man and is never quite so happy as in the prize ring admiring and adjudging pure-bred stock, a branch of agriculture in which he is an expert. He has all the facility of the late Mr. Oliver for mixing readily with "just folks" but has the advantage of being quite as much at home among a class for which the late premier had neither time nor inclination.

As all guesses after an election are just about as good as all the predictions before one, it is perhaps near the truth to say that the elections of British Columbia were a triumph of personality rather than of principle or policy.

Railway as Issue

The introduction into the campaign of the P.G.E. as an issue was unfortunate.

The people of Canada want their national railways kept out of politics. So does Sir Henry Thornton. All those responsible for the administration of the road feel the same way. A similar desire is frequently expressed even by the politicians, especially by those out of power.

But a great state-owned utility is too alluring for the practical party man to resist, in periods of party extremity or stress. He feels that to ignore its political possibilities is a sheer waste of good material. Hence the difficulty at election time of living up to his pre-campaign professions. In the day of exigency, the hard-driven politician, like all desperate men, is likely to lay his hands on any weapon that will serve his turn.

Wanted to Sell Line

So, in the British Columbia elections, the issue upon which one of the parties to the fight sought to secure a verdict was its supposed ability to have the moribund P. G. & E. Railway taken over by the National system. The public were asked to believe that the McLean government, being Liberal, could, if elected, unload this provincial white elephant on the Canadian National Railways, but that the election of a Conservative government, which would be non persona grata at Ottawa, would destroy all hope of such a happy issue out of one of the province's major difficulties.

While it is reassuring to note that neither Sir Henry Thornton nor the Hon. Mr. Dunning seem to have given any public countenance to this fantastic claim, it is disturbing to see it advanced. A state utility of the magnitude of the Canadian National Railways must always prove a temptation to partisans. Indeed, the more successful it is, the greater is this menace likely to become. The Minister of Railways, who is a keen and efficient administrator, must be constantly under this unwelcome pressure.

Does C.N.R. Want It?

It is difficult at this distance to appreciate what argument could be effectively employed to induce the Canadian National Railways to assume the P. G. & E. The latter road was political rather than economic in conception. To become profitable it must await future development in northern British Columbia and northern Alberta. That development is inevitable. But the rapidity with which it will come is dependent to a considerable degree on railway extensions.

The Peace River country is in itself an empire which awaits the Ithuriel touch of a Minister of Immigration with vision and enterprise. When settled it will add to the cultivated acreage of Canada an area equal to that under crop in the whole Dominion not many years ago. It must find its ultimate outlet on the Pacific coast directly, instead of via Edmonton, which is now reached by the E. D. and B. C. Railway. The latter is owned by the province and both large railway systems connect with it at Edmonton. A comparatively short line of railroad would permit egress from this district coastward via a point on the Canadian National Railways west of the Rockies. From here the Canadian National can haul over its good grades either to Vancouver or to its own terminal at Prince Rupert.

Better for C.P.R.

The Canadian Pacific has no such line. It is their announced intention ultimately to build such a road. Were they to acquire the P. G. & E. Railway, by building a short spur from Clinton or building a line of their own they could there tie up with their main line into Vancouver at Ashcroft. The grade of the P. G. & E. from Ashcroft to Prince George is good, and, if reconditioned, its acquirement by the Canadian Pacific Railway would put that line instantly on a basis on which it could compete with the Canadian National Railway for the northern trade. The lower end of the road from Seton Lake to the coast could be used as a scenic and logging line or converted into a motor road, while the prohibitive climb over Pavilion Mountain from Seton Lake to Clinton could be eliminated altogether. The Canadian Pacific Railway would seem to be a much more logical purchaser than the Canadian National Railway, who, were it to acquire the P. G. & E., would only parallel its own rails for a greater part of the way—an outcome no Minister of Railways is likely to view with much enthusiasm. It is significant that the politicians selected as a possible purchaser the railway company, which they felt could be subjected to pressure on political grounds.

The situation has a vital interest to the people of all Canada. When and if the P. G. & E. is taken over, it is acquired on a logical and business basis, by some railway that needs it, or can use it to advantage, instead of being added to the assortment of defunct roads which the Canadian National Railway system is now doing its best to digest, it will be good news for the tax payers of Canada.

Mutual Boycott Fails; Insurers Wait in Vain

Ontario firms are still waiting to experience the trade boycott instigated against them by the Toronto insurance conference because they insured with mutuals instead of with stock companies, but somehow the promised pressure does not seem to be materializing. Evidently the machinery has missed a cog, or somebody has thrown a monkey wrench into it. Although the public have heard nothing it is understood that the sponsors of the enlightened idea have been hearing too much. Reports of differences of opinion among the committee are leaking out which imply that all is not going well with the originators of the correspondence telling of the plan to compel firms to transfer their insurance to the stock companies.

The Financial Post interviewed one of the senior members of the committee and endeavored to get a statement as to whether the plan was going to be enforced. No statement was forthcoming, but the admission was made that the matter was before the committee and that an announcement would be made in the near future. The officer did say, however, that no boycott had been instigated and that the editorials published stated that a boycott was being organized did not tell the whole story and for that reason were misleading. This is very surprising in view of the letter sent out under the signature of the secretary of the conference which stated, in part, as follows:

"The city will be divided into several districts, such as Danforth, North Toronto, Beaches, etc., and pressure brought to bear upon retailers, through the purchasing power of agents and salaried employees in these districts, who are insuring with mutuals."

This seems clear enough and apparently there is only one interpretation to take from it. What other meaning can be read into it is hard to say, but doubtless the announcement to be made by the committee in the near future will tell the whole story and make it clear to all. In the meantime the announcement will be awaited with interest.

ALGOMA NET SHOWS GAIN OF MILLION

Earnings Now Are Estimated at $1,000,000 Above 1927

120 P.C. IS INCREASE

Executive Office Will Shortly be Removed to Montreal — President Now Has Office There

Not only will Algoma Steel Corporation earn its bond interest this year for the first time since 1921, but from current reports it now begins to look as if the company's earnings would be almost $1,000,000 in excess of those of last year.

Last year total earnings from operations and subsidiary companies amounted to $819,386. Information now available indicates that when the 1927-1928 annual report appears, earnings will probably show something like $1,800,000. Not only would this provide adequately for all interest charges, but would show a surplus of something like $700,000 over and above such charges.

This is an exceedingly creditable showing for this company which has labored so long under adverse conditions, and which seems to be making definite strides toward standing on its financial feet.

When the annual report appears in two months time, it is believed that the new interests will recommend important changes of a conservative nature to the company's balance sheet. At the present moment the company's property account on the assets side of the ledger stands at $41,177,000. It is probable that some scaling down of this item will be undertaken.

Office to Montreal

As soon as possible the offices of the corporation, together with those of Lake Superior Corporation and the other subsidiaries, will be moved to Montreal. At present secretarial offices are maintained in Toronto, but in view of the recent change of control, this will now be shifted to Montreal, where Robert Dodd, the present president of Lake Superior Corporation, has his office.

From present indications there will be plenty of rail business to keep the rail mills rolling throughout the rest of the year. For the past two weeks the mill has reverted to single shift after many months of double shift operation but it is understood that there is still plenty of rail business in sight, and that the management are not worrying particularly about the fall and winter—in fact there is even a possibility of better things maturing when the time comes.

MORTGAGE MEN MEET IN REGINA EARLY IN FALL

Important Conferences with Alta. Government to Clear the Air

Review of both eastern and western Canadian legislation concerning mortgage loans will probably be one of the outstanding features of the annual meeting of the Dominion Mortgage and Investments Association scheduled for Monday and Tuesday, September 17 and 18 next, at Regina. Strong committees have been appointed to thoroughly review all past legislation; and proposed changes in fiduciary laws, such as contemplated by Alberta and some of the other provinces, will be discussed from the standpoint of their effect upon the loaning situation in the Canadian West.

Noted speakers have been secured for the luncheon and dinner meetings. C. T. Jaffray, president of the Minneapolis, St. Paul S.S.M. railway, and prominently associated with grain financing corporations for many years, will speak on the subject "Economic Position of Agriculture in Northwestern Grain Raising States." Hon. T. C. Davis, Attorney-General for Saskatchewan, will describe the natural resources of his province, and Premier J. G. Gardiner will also represent Saskatchewan.

The projected conferences between representatives of loaning companies and the Alberta government regarding new mortgage loan legislation contemplated next session, is also scheduled to take place at this time, as representatives of loaning corporations from all over Canada will then be on hand. It is expected that these conferences will be thoroughly representative of all sides of the question; and that there will result from these joint conferences legislation that will thoroughly clarify the mortgage loan situation in Alberta and encourage larger investment of eastern capital.

Stock Market

MARKET INDICATOR

	High	Low
20 Industrial Stocks		
Week of July 25	$ 87.0	$ 84.8
Week of July 18	88.9	85.5
Month of July, 1927	70.8	65.1
9 Bank Stocks		
Week of July 25	$297	$283
Week of July 18	292	290
Month of July, 1927	257	251
10 Public Utilities		
Week of July 25	$110	$108
Week of July 18	111	108
Month of July, 1927	97	92

WEEK'S GAINS AND LOSSES

	Gains	Losses	Unch.	Total
Banks	2	6	1	9
Paper	4	6	4	17
Steel	9	15	19	43
Foodstuffs	9	20	26	55
Utilities	6	11	14	31
Tractions	2	3	8	13
Textiles	4	4	11	19
Industrials	22	42	44	108
Total	58	107	130	295

British Investors Make Big Canadian Profits

Within the past fortnight or so, annual meetings of Mond Nickel Company and British Empire Trust Company have been held in London. The Mond Nickel meeting was an enthusiastic gathering and Lord Melchett, the chairman, announced a 50 per cent. increase in profits, an increased dividend rate, a split-up of the shares and stock rights. He fairly glowed in describing the properties of this great British investment in Canada. Shareholders in the company who have seen their holdings rise in value from around £2 to nearly £9 during the past year felt convinced that there was money to be made by sound investments in Canada.

At the meeting of the British Empire Trust Company, which has substantial investments in Canadian public utilities, saw mills and land and financial corporations, the shareholders heard that their Canadian investments had resulted in a great increase in the company's profits making a big bonus possible and so it was not surprising that the chairman, John Davidson, should have paid to Canada a magnanimous tribute. He said:

"As you can well imagine, our faith in Canada and Canadian investments continues undiminished. I know of no country in the world which combines within itself such a variety of natural resources. Canadian agriculture and the fame of her wheat fields are known throughout the world. Many agricultural countries depend upon agriculture alone, and are rich; but Canada also possesses vast timber resources suitable for pulp and paper and also for building purposes. Canada also comprises vast natural wealth in fisheries, both inland lake and deep sea. Her resources include 85 per cent. of the world's known asbestos supply, 90 per cent. of the world's nickel, and she is now the third largest gold-producing country in the world. The production of gold in Canada last year amounted to over $38,000,000, or £7,800,000, and I venture to predict that she may yet become the greatest gold-producing country in the world. I am glad to say that we have many interests in Canada, and I trust and believe that our interests will continue to expand."

With such examples as these—and other investments in Canada before them the British people must remain convinced of the investment possibilities of Canada.

Ottawa Did Not Know Merger Gun Was Loaded

Most of Members of Cabinet Were Away and Authority Just Slipped Through in Commerce-Standard Deal

From Our Own Correspondent

OTTAWA.—The attitude of the government toward the bank merger and the manner in which public opinion has reacted to it, is not unlike that of Sir John A. Macdonald when he was defeated in Kingston. The former Conservative chieftain was opposed by a man called Gunn and explaining his defeat in the House of Commons in the session following the election he declared that he had not known that the gun was loaded.

Bank mergers in Canada can be authorized by the Minister of Finance without consultation with the cabinet and in the present case it seems doubtful if Hon. J. A. Robb took the full cabinet into his confidence before giving the authorization. Undoubtedly several of the ministers were aware of what was afoot but the western members of the government, for the most part, were absent and it was from this section of the Dominion that most of the criticism would have come. Mr. Robb did not make the announcement in person. After approving the merger he left for Ireland, where he will negotiate a trade treaty, and under his instructions the officials of the finance department issued the announcement after his boat had sailed.

Since the announcement, the reaction has been adverse and the cabinet ministers are wondering why the merger was authorized in so informal and haphazard a way and why the party was "let in" for so much public condemnation without foreseeing the results which must follow.

As to the considerations which prompted the decision, it is fairly clear that Mr. Robb is not unsympathetic to mergers which, no doubt, he regards as a means of strengthening the financial position of the banks. He is a big business man and arguments for consolidation appeal to him strongly.

DOMINION BRIDGE MAY PAY HIGHER RATE OF DIVIDEND

Bonus Out of Surplus May be Directors' Policy

From Our Own Correspondent

MONTREAL.—It is rumored that the shareholders of the Dominion Bridge Company are to obtain a higher yield from their holdings. It is not known how soon the managemen contemplates putting a higher rate into effect. The Dominion Bridge and the Dominion Engineering Works, its subsidiary, were placed on a 65c. quarterly dividend basis three months ago. Since then, Dominion Engineering has increased its dividend to 75 cents quarterly while the parent company's dividend remains unchanged. Thus the subsidiary's stock is now on a $3 a year basis as aaginst $2.60 for "Bridge" shares.

It is still probable that the management may revert to a policy of making bonus disbursements out of surplus profits once the dividend rate has been brought up to a certain level. This has been the policy in years gone by when earnings have also been large. Both the parent company and the subsidiary are operating at capacity this year and earnings are large. Both companies have worked into a strong balance sheet position and have ample cash and liquid resources at their command.

Form New Subsidiary

The Dominion Bridge Company has formed a subsidiary headed by G. H. Duggan, president of the parent company, to develop a new process whereby structural steel is welded, instead of riveted as heretofore. The process was invented by one of the personnel of the Dominion Bridge and has been in use by the company for some time. It is said that for some uses it is much more efficient and more economical than riveted steel.

Canadian Loco. Gets Big Order from Ottawa

From Our Own Correspondent

MONTREAL.—Quiet buying of a substantial sort has been going on in the common stock of the Canadian Locomotive Company, as a result of new developments which have arisen in the past few weeks.

It is understood thnt the compaay is securing an order from the Dominion Government to supply the winches for the new Welland Canal. Approximately $1,250,000 is involved. Other companies have been after this order, but the Canadian Locomotive is said to have it on a bid below that quoted by its competitors.

This order will assure the operation of the company's plants at Kingston for some time to come, and will have a good influence on the earning power of the company in the next year.

For 1927, Canadian Locomotive reported net earnings of $316,439. This was substantially ahead of the previous two years, and compares favorably wtih the fifteen-year average. While no information is available as to current earnings, they will probably compare favorably with last year while the prospects of government work assures a better showing for next year.

Plan Large Gift to Ontario Premier

Leading business men and Conservatives in Ontario are instituting a movement to raise a large sum of money—mentioned as $250,000 — to make a retiring presentation to Prime Minister G. Howard Ferguson whenever he decides to leave office.

No definite plans have crystallized but The Financial Post learns that the matter is being actively discussed.

Bell Telephone Issues Interim Revenue Report

From Our Own Correspondent

MONTREAL. — Recent figures compiled by the sales promotion branch of the Bell Telephone Company for the six months of the present year ended June 30th last, show some remarkably efficient estimating, as applied to the growth of long distance revenue, the sale of subscribers' exchange service, and also the miscellaneous sales of other services which go to equip the telephone user with complete and well-rounded facilities.

This is the first time that the Bell Telephone has made public earnings for a six months' period, consequently, it is not possible to make comparison with corresponding periods of other years. While the above statement does not take into consideration revenue received from telephone tolls, it is of interest to investors in the stock of this company and the public generally as it shows that the company is expanding along anticipated lines.

Estimates and the actual figures are shown hereunder:

	Estimated	Actual
Long distance revenue	$3,880,288	$3,898,246
Telephone sales	$ 64,339	$ 65,728
Net telephone increase	19,913	22,548
Miscellaneous sales	$ 31,030	$ 31,757

CAN. CEMENT SALES AHEAD BY OVER 10%

Plant Operations Greater Than for Last Year

SELLING PRICE IS UP

On Larger Volume and Higher Average Net Returns, Revenue on Increase

From Our Own Correspondent

MONTREAL.—Satisfactory results are being secured by the Canada Cement Company in the first year of operations under new control.

At present the company is very busy, this being the peak of the shipping period, which extends from about the middle of March to the first of November.

So far sales have been about 10 per cent. in excess of those for last year, which aggregated approximately 7,500,000 barrels. While the percentage increase does not indicate any unusual improvement in the company's position the comparison is more significant when it is realized that at the present rate sales are likely to be up 750,000 barrels over last year.

As for earnings, there is likely to be more than a proportionate increase. While a decrease of 25 cents a barrel has been made in the cost of cement in Western Canada, Eastern prices have been increased from 8 to 22 cents a barrel. Thus the lower net profit per barrel in the West, is offset by the larger volume of sales and higher prices in the eastern area.

Earnings on Up-grade

The financial statement for last year has not been issued as yet, in view of the sale of the old company and the attendant reorganization work. However, the bankers estimated, on the basis of nine months' results, that earnings for the twelve months, available for bond interest, depreciation, income taxes, etc., would amount to $4,583,649. Such being the case, it is reasonable to assume that earnings for the current year will aggregate approximately $5,000,000, provided there is no set-back.

At the present time seven of the company's plants are in operation. If pressed for additional output, the company could put into service nine plants. These plants, of course, are not working to capacity; their rated capacity being far in excess of requirements for some time to come. Operations, however, are very satisfactory and except for one or two plants, are greater than for last year.

Improving Facilities

Considerable work has been done this year in improving the plants, with a view to greater production and lower manufacturing costs. To this end expenditures have been made on alterations to the Belleville plant and the complete renovation of the Winnipeg unit.

The later has been converted to the "wet" process of manufacturing and at present is being tuned to maximum production. A run of as high as 3,400 barrels a day has already been recorded by the Winnipeg plant and it is believed that this can be increased to 4,000 barrels a day.

Minor, but nevertheless important, improvements have been made at the other plants without the expenditure of any large sums of money with the result that the efficiency of all plants has been greatly increased.

Efficiency at High Point

The plants of the Canada Cement Company have long been noted for their efficiency and low cost operations. Some of the results obtained are truly outstanding. At present, for example, the per man production is twice as much as it was in pre-war days. While improvements have been made in the type of machinery used, a great deal of the credit for this better showing is given to the increased efficiency of the individual workman.

One of the causes contributing to the excellent teamwork among the different departments of the company, lower operating costs, in-

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Can. Cement	1	Mex. Trams	1
Can. Ind. Alco.	9	Nat. Steel Car	4
Can. Loco.	1	Nat. Biscuit	2
Can. Power	1	Pressed Metals	2
Can. Steamship	4	P. T. Legare	1
Dom. Bridge	1	Port Alfred	24
Durant	9	Price Bros.	17, 20
Duke Price	19, 23	Quebec Pulp	23
Eno's	5	Regent Knit	5
E. Kootenay	9	Sprucolite	9
Fed. Distilleries	9	Tip Top	5
G. & W.	9	Waterloo Mfg.	2
Gotfredson	4	Zimmerknit	8

MINES

Alexandria G.	14	Int. Nickel	25
Abana	14	Jackson-Manion	25
Brett-Treth.	25	Kirkland Gold	28
B. C. Silver	14	Kirkland-Premier	14
Barry-Hollinger	26	Mond Nickel	25
Bunker Ext.	25	Malartic Gold	25
Bingo Gold	25	Ribago	14
Canusa Gold	28	Sylvanite	25
Cons. Smelters	28	Sladen Malartic	26
Cork. Prov.	14	Sherrit-Gordon	25, 26
Flin Flon	14	Towagmac	25
Fort Hope	14	Teck-Hughes	25
Gold Hill	26	Wainwell Oils	26
Hollinger	14, 25, 26	W. Hargreaves	25, 26

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WHEAT DROPS AS WEST SEES LARGEST CROP

Even 600,000,000 Bushels Is Yet Within Possibility

LITTLE RUST DAMAGE

Russia Cannot be Seller of Wheat for Many Years — Europe is Big Buyer

From Our Own Correspondent

WINNIPEG.—Starting from the high point at the end of April, when October wheat was selling at $1.53 and cash wheat, basis No. 1 northern, was quoted at $1.65, wheat prices have been steadily falling, with the rate of decline constantly accelerating.

One main factor has been the prospects for this year's crop. While things looked remarkably good in the early part of the season, the trade is so used to see early promises fade away with advancing summer, that no one was willing to bank on a bumper crop at that time. An average, based on the experience of the past ten years, was all that was considered reasonably probable. The market was based on an expected production in Western Canada of somewhere about four hundred million bushels.

May Even be 600,000,000

But every passing day has added to the year's crop prospects. The market has had to envisage, first a reasonably probable crop of five hundred million bushels, and now the possibility of six hundred millions. Rust is the ever-present menace, but signs of black stem rust, the kind that does the greatest amount of damage are still encouragingly few. It is in Manitoba that the greatest danger from rust is feared, but the Manitoba crop is rapidly approaching maturity. Every day that goes by without the rust spreading is another battle won in the annual war between the wheat and the rust. Rust spores are probably plentiful enough in the country to do a tremendous amount of damage yet, should we have a week or ten days of hot and muggy weather, in which alone the rust can spread. But ideal weather has recently prevailed for the rapid filling of the crop.

Much Unsold Wheat

Then the market has had to take cognizance of an enormous quantity of last year's wheat still unsold. With considerable quantities of last year's grain still being delivered in the country every day, estimates of the amount of wheat grown have steadily been revised upward. It is clear now that in 1927 the west produced, not the second largest, but the largest crop in its history. When all the returns are added up it will probably be found that western Canada last year produced 475,000,000 bushels, as against the previous record, made in 1923, of 452,000,000. We shall reach the first of August with close to 65,000,000 bushels of that crop still to be moved out of the country. By August 15th, new crop wheat may be hard on the heels of the old crop, and the carry-over is consequently more serious than in a year when the harvest is late, and when there would be more time to dispose of it.

Better U. S. Crop

The United States winter wheat crop has turned out far better than was expected back in April. Then it was thought that the crop in the United States might be so short as to put wheat from that country out of the picture this year, so far as the export market is concerned. That prediction has been belied by the fact that already large quantities of winter wheat are going into export channels. For several weeks Canadian old crop wheat has had to compete in European markets with new crop wheat from the United States.

Most of the crop of the Argentine was moved into consumption during the early months of the year. During that period Canadian prices were on a higher level than prices in the Argentine, sustained by ideas of the situation which have turned out to be incorrect. The result was that European buyers bought Argentine wheat in preference to Canadian, and our crop surplus was very slow to move. Europe is now buying Canadian wheat, but to move it our holders have had to come down to prices lower than those which were paid for the Argentine crop.

Europe is Big Buyer

It still looks as if Europe would need to buy a great deal of wheat during the next year. Russia, instead of being able to export wheat, as in the days before the war, has actually been importing grain. Not long ago some interest was aroused by a report of 8,000 bushels of wheat shipped from a Russian Black Sea port. Almost immediately after came the news of heavy Russian purchases of Canadian wheat, 8,000,000 bushels being reported to go in through the Baltic. No reliable estimates are as yet to hand on the ultimate effects of the recent European heat wave. Some hot weather was needed to offset the effects of a backward season, but such temperatures as were recorded in the cabled reports seemed more likely to shrivel up the growing grain than to improve it.

Hon. T. A. Crerar, on his return from a business trip to Great Britain and the Continent, made public his impressions. He found the outlook there to justify confidence in her ability to find satisfactory markets for increased quantities of grain. The Russian situation he found to be of particular importance, pointing out that Russia formerly shipped into the rest of Europe some 500,000,000 bushels of all kinds of grain, chiefly wheat, rye and barley. Now cut off from those supplies, Europe had to look to Canada for increased shipments. Mr. Crerar found the general opinion to be that not for some years would it be possible for Russia to come back into the grain markets, for agriculture is on a lower technical level than formerly, and the peasants are in addition reluctant to produce surplus grain to be taken by the state under the application of communist doctrines.

Nation's Commerce

Activities of Canadian Chamber of Commerce Compiled from Official Sources

From Our Own Correspondent

MONTREAL. — The Commission on Uniformity of Laws are to be asked to co-operate with the Canadian Chamber of Commerce in examining the provincial statutes, looking to uniformity in the safety and speed laws in respect to motor traffic on the highways.

W. McL. Clarke, Sect. C. C. of C.

Permission has been received by the association from the Federal Department of State to use the name of Canadian Chamber of Commerce.

The association has been asked to nominate a representative to the Federation of Chambers of Commerce of the British Empire, to participate in the regular meetings of that organization held at periodic intervals in London.

W. McL. Clarke, secretary of the association, will attend the annual meeting of the Associated Boards of Trade in Charlottetown next month.

Commercial arbitration is to be studied by a special committee, in cooperation with the commission on the uniformity of legislation and the Winnipeg Grain Exchange and other organizations. A draft arbitration act is to be drawn up by the Chamber of Commerce with a view to having it adopted by the various provinces. Although commercial arbitration is comparatively unknown in Canada, it has been tried out successfully in Great Britain and to a lesser extent in the United States.

It is proposed by the association to hold a conference of the more important economic interests in Canada, probably some time in January next. By this means it is hoped to bring together the various bodies, implement their work and formulate a basic economic organization.

NATION'S BUSINESS

(Continued from page 1)

papers have expressed themselves as opposed to the merger. In the West, spokesmen for the farmers have already renewed their argument in favor of radical changes in the banking system.

* * *

THERE is undoubtedly a general unfriendliness to the proposed absorption of the Standard Bank by the Bank of Commerce. If the matter were put to a national vote, there is little doubt that public opinion would be overwhelmingly against it.

The unfortunate feature, however, it that the opposition is not based on the merits but on suspicion. On its merits, it is generally admitted that a few strong institutions should give better service than many smaller ones; but the experience of the public with big corporations has often been not at all satisfactory. Many amalgamations have been immediately followed by higher prices for poorer and offensive service, especially if they were backed by a generous tariff. The attitude of the amalgamation to the consumer has too often been: take it, or leave it; and the public has been at their mercy. The public can generally do little directly against the offenders, but the grievance is nursed and when an opportunity arises they express resentment indirectly.

The Financial Post still considers the recent bank-merger a good one from the standpoint of the banks and not inimical to the interests of the country since we anticipate none of the evils we have attributed to some other mergers, but it feels that public opinion, right or wrong, should not have been ignored.

* * *

IN ADVOCATING the turning of our own raw material into the finished product in Canada, Hon. Mr. Bennett speaks from experience. A part of his income is derived from the pulp and paper industry, of which Canada is the largest producer. Yet in the twelve months ending March, 1927, Canada imported, wood products and paper $47,962,298; and by March this year the imports had increased to $51,750,924. Nearly $44,000,000 of this came from the United States, which get their raw material from us but refuse to admit our book and other high grade papers. Of this great total nearly $15,000,000 represents printed matter, the great part of which could have been done in Canada. These figures, however, do not include the vastly greater sum represented by American-produced newspapers, magazines, etc. With its great stock of raw material, cheap power, dry climate, Canada should be the printing centre of the world, but everything seems to be done to turn that industry into foreign channels. It was estimated some time ago that over 3,000 families in the States were maintained on printing work there for Canadian consumption

CAN. POWER MAY RETIRE SOME BONDS

(Continued from page 1)

corporation itself has a funded debt of $28,800,000 in 5½ per cent. debentures.

No Redemption Now

The redemption of some of these issues ultimately may perhaps be anticipated. In the meantime, though, the consensus of opinion of those informed on the affairs of the corporation is that no immediate action leading to the elimination of some of the senior securities is contemplated by the management. It seems probable then the moneys obtained from the sale of Laurentide Power will be used at present solely to better the working capital position of Canada Power and Paper. Probably some of the $10,800,000 will be used to pay off bank loans which are probably now approaching their peak for the year, as toward the autumn months, the wood piles at the mills are stacked high to carry the plants through the winter's operations. In other words, with all paper mills, inventories are larger at this season than when the wood piles are low in the spring just before the pulpwood begins to float down the streams to replenish the depleted wood piles. Hence bank loans naturally increase at this time of year.

P. T. LEGARE CO.'S SALES INCREASE

Substantial Gains Reported in First Half of 1928

Sales of P. T. Legare Co. for the first six months of 1928 show substantial increases over the corresponding period of last year. Business in all its agencies and stores is stated to have been good; and prospects for the present year are for a substantial increase in net profit for 1928.

The P. T. Legare Co. operates a chain of some 52 stores; and more than 1,000 agencies in Quebec, Eastern Ontario and Northwestern New Brunswick. The company's business is the merchandizing of home furnishings, farm implements and requisites of every description. This business has been successfully carried on since 1877, profits reaching a peak last year at $397,362. This year's increases in sales are expected to further increase profits at least another $50,000.

CAN. CEMENT SALES AHEAD BY OVER 10%

(Continued from page 1)

creased output, etc., has been the introduction of a safety campaign. This campaign has been carried on enthusiastically since 1920 by all the employees and some remarkable results have been achieved.

Teamwork is Productive

Between the years 1920 and 1927, for instance, reports from the five main plants of the Canada Cement Company show a reduction of 75 per cent. in the number of accidents; 87 per cent. in the amount of money paid for doctors' and nurses' services, hospital fees, compensation, etc., has been lowered by 87 per cent.; while efficiency, on the basis of production per hour of labor, has been increased 86 per cent.

This is probably the finest showing made by any cement company on the continent.

Consequently the morale and teamwork of the employees to-day are at a very high pitch. The value of this to the company cannot be judged in dollars and cents, but that it has a tangible worth is evident from the splendid record of the company over the past ten years.

Outlook Promising

The immediate outlook for the company is promising. Export sales to-date have been satisfactory and no sharp falling off in demand is expected. This is only a small end of the company's business, however, but a survey of the domestic market is even more encouraging.

Since the beginning of the year approximately $300,000,000 worth of new building has been undertaken in Canada. While the percentage of this work that goes to the cement industry is relatively small from the point of view of monetary value, the quantity of cement needed is well above the normal demand. The Canada Cement Company, of course, is getting its share of this business.

Within the next year one of the largest users of cement in the country, namely, the Welland Canal, will be out of the market. As high as 300,000 barrels a year are supplied for this job. The cutting off of this business will affect the operations of the companies supplying this need, notably that of the Port Colborne plant of the Canada Cement Company.

New Demands Possible

The increase in demand from other sources, however, will largely offset this loss. Moreover, there is a possibility that the St. Lawrence canal scheme will get underway before very long. Negotiations are a long way toward completion. An enormous quantity of cement will be needed for this enterprise and the Canada Cement Company, with its strategically located plants, will be in a position to compete successfully for a large share of this prospective business.

Aside from this undertaking, which is still in a nebulous state, the fact remains that the company is experiencing an excellent volume of business with a proportionate increase in earnings. The company should continue to record a steady expansion, both in production and profits.

PRESSED METALS REVAMPS CAPITAL

Will Split Common Stock on Basis of Four to One

Pressed Metals of America, whose earnings for the first six months of this year were recently reported in The Financial Post to be the largest in years, now contemplates a capital reconstruction that will involve changing the common shares into no par value shares and increasing considerably the number of shares of the latter.

At the present time the company has an authorized capital of 5,000 shares 7 per cent. cumulative preferred and 75,000 shares common, both of $100 par value. It is proposed to increase the number of common shares to 120,000 shares no par value. This new stock would be exchangeable four shares for one share of old common stock; and the new preferred will retain its conversion privilege which will be on the basis of four new common shares for each preferred. This would therefore give a nominal value of $25 a share for the new common stock; and would require some 88,524 shares of the common stock to be exchanged for the present common outstanding.

National Biscuit Co. to Increase Capital

The National Biscuit Company (Canada) Limited, has been granted supplementary letters patent permitting it to increase its capital from 500 no par value shares to 126,500 no par shares. The additional 126,000 shares are to be issued from time to time at a price not to exceed $12,000,000, that is at a price of about 95¼ per share.

Life Insurance Sales in Canada*

	1923	1924	1925	1926	1927	1928
January ...	$28,108,000	$30,673,000	$30,838,000	$33,907,000	$36,986,000	$47,569,000
February ..	25,409,000	30,704,000	28,698,000	34,744,000	35,525,000	39,962,000
March	28,142,000	34,383,000	35,001,000	40,483,000	42,883,000	44,823,000
April	29,966,000	32,603,000	35,872,000	37,346,000	41,631,000	46,718,000
May	29,762,000	33,368,000	34,377,000	37,703,000	44,553,000	49,581,000
June	31,865,000	34,295,000	42,307,000	44,634,000	45,298,000	51,844,000
July	31,539,000	33,205,000	37,671,000	40,101,000	39,962,000	....
August	31,065,000	27,983,000	31,724,000	36,010,000	38,360,000	....
September .	25,979,000	30,029,000	33,543,000	34,878,000	35,000,000	....
October	33,470,000	32,483,000	36,259,000	40,226,000	48,104,000	....
November ..	34,165,000	34,357,000	36,760,000	44,251,000	44,935,000	....
December ..	37,377,000	37,120,000	41,822,000	46,777,000	48,899,000	....

Total, 1928, six months	$280,497,000
Total, 1927, six months	246,876,000
Increase 14%	$ 33,621,000

*Companies having in force 84 per cent. of total outstanding business in Canada. New, ordinary business only. Figures by Life Insurance Sales Research Bureau, Hartford, Connecticut.

B. C. Mining Dividends 1927 Were $10,800,828

Total Production of Province Passed Billion Dollar Mark — Industry Now Developed on Large Scale — Outlook Excellent

From Our B. C. Mining Correspondent

Vancouver, B.C. — J. J. Warren, president of Consolidated Mining & Smelting Co., while here recently stated that development work by tinue. "Smelters" has met the property, Portland Canal area will continue "Smelters" has met the property payment due on Saturday last. Mr. Warren and several officials of Consolidated recently made a trip to Portland Canal and examined Big Missouri and George Copper another operation.

Although results of work on Big Missouri are closely guarded, it is well-known that a large number of men are at work and that extra equipment has been installed. The tunnel which is being driven at present is believed to be in ore, though whether it is high grade or medium milling ore is not known. Arrangements have been made to keep on the crew indefinitely and supplies sufficient for several months have been taken to the camp.

Rufus Argenta (Daly Gerard Deal)

Following the sudden illness of Mrs. Margaret P. Daly, who controls the fortunes of her late husband, Marcus Daly, the Rufus Argenta deal in the Portland Canal was dropped definitely. The announcement was made recently to the effect that the Daly-Gerard interests would proceed no further in developing the Argenta property and their engineers have been withdrawn.

The Rufus Argenta company was recapitalized for the Daly Gerard deal and the extra shares were all thrown on the market when the deal collapsed. The company has been left without any money in its treasury to carry on development and officials state that its future policy is undecided.

Mining operations in British Columbia during 1927 paid a dividend of more than 17 per cent. This is a record far above that of any other basic industry. According to figures lately published by the department of mines in Victoria the mining industry in this province has established itself beyond doubt as one of pre-eminent industries.

Total mineral production of B. C. up to the end of 1927 totalled over $1,000,000,000. The following figures taken from the Minister of Mines report indicate the enormous proportion established.

Production for 1927 .	$60,729,358
Dividends declared (1927)	10,800,828
Dividends declared (1926)	9,747,000

The dividend distribution for 1927 showed an increase of $1,000,000 over the previous year in spite of the low metal prices. Government reports state that had the metal prices remained the same in 1927 the value of the mineral production would have exceeded that of 1926 by more than $1,000,000.

The continued increase from year to year since mining commenced in B. C. in 1852 has been concentrated in the last 12 years. During that time more than 50 per cent. of the total of $1,048,837,828 was produced.

The activity in the province at present has exceeded anything in former years. Since the beginning of 1928 nine new concentrators have been constructed having a total capacity of 1,100 tons a day, and more are being contemplated and planned as the year goes on.

MEXICAN LIGHT EARNINGS IMPROVE

Receipts for First Six Months Show Some Gain

Some improvement in earnings of the Mexican Light and Power Co. were reported at the annual meeting held this week. For the first six months of this year they are stated to be slightly higher. Construction of the new dam on the Lerma river is now going forward; and this work will further strengthen the operating position of the company when it is completed and in use.

The company has recently acquired the light and power plant of the city of Toluca on very satisfactory terms. The plant is located some forty miles from Mexico city, and serves an urban area of 40,000 people. The plant itself may be expanded shortly.

The shareholders elected a new director, C. D. Magee, to take the place of the late Capt. Loewenstein.

Use More Combines

Five hundred combines, will, if the weather is good during harvest, cut 500,000 acres of the wheat crop on the Lethbridge Division. It is estimated that they will harvest 15,000,000 bushels if the crop averages thirty bushels per acre, which is the present outlook. They could harvest 500,000 bushels daily.

ORE BODY AT DEPTH IS REPORTED FROM JAY COPPER GOLD

Announcement Probably to be Made at Annual Meeting

From Our Own Correspondent

MONTREAL.—Important discoveries are reported as a result of the diamond drilling operations underway at Jay Copper Gold Mines. Ore is reported at depth from the diamond drilling being carried on from the 500-foot level. It is understood that drilling will continue to 1,000 feet.

An official announcement is expected to be made concerning the results of the drilling at the annual meeting which is to be held on Monday next week in Montreal.

The meeting was originally called two weeks ago, but was adjourned in order to permit the election of new directors to the board.

The company has been concentrating its energies on the copper-zinc zone in its number one property, Dalquier Township. The diamond drill has been operating from the 500-foot level, the drill being at a 60-degree angle in order to prove the ore body to depth.

No details as to the exact nature of the discovery are available, the consulting engineer, Charles Spearman, being away for several weeks on account of sickness.

MEXICO TRAMWAYS RECEIPTS INCREASE

Considerable improvement in passenger receipts of the Mexican Tramways Co. has taken place during the current year. This is due largely to the complete reorganization of the system undertaken more than a year ago and including the re-routing of lines and modernizing of the system. As a result, number of passengers carried has increased, whereas the jitney competition has fallen off.

Rt. Hon. Sir Thomas White has been elected a director to fill the vacancy caused by the death of Capt. Loewenstein.

Waterloo Manufacturing Class "A" Dividend

The Waterloo Manufacturing Company has declared an initial dividend of 25 cents on its Class "A" stock. Holders of the Class "A" stock are entitled to cumulative dividends of $1 per share per annum before any dividends are declared on the Class "B" shares. The dividend just declared represents the first quarterly payment and will be paid on August 1st to shareholders of record July 25.

Sales of the company for the eight months of the current fiscal year are reported to be 107 per cent. ahead of the corresponding period of last year.

I. P. Starts in N. B.

MONTREAL.—It is understood that bids are being asked for the construction and equipment for the new paper mill of the International Paper Company to be erected at Dalhousie, N.B. The International Paper New Brunswick's project has been delayed due to the over-expansion of the newsprint industry.

INVESTMENT SUGGESTION

The Brompton Pulp and Paper Co., 6% Bonds, due 1946, and St. Lawrence Paper Mills, Limited, 6% Bonds, due 1946, have been called for redemption at 105 and accrued interest.

For reimbursement of these funds we recommend Great Lakes Paper Co., Limited, 6% Bonds, due 1950 @ 100 and accrued interest and will accept in payment the Brompton and St. Lawrence Bonds at their redemption price.

We shall be pleased to forward our offering list and descriptive circular.

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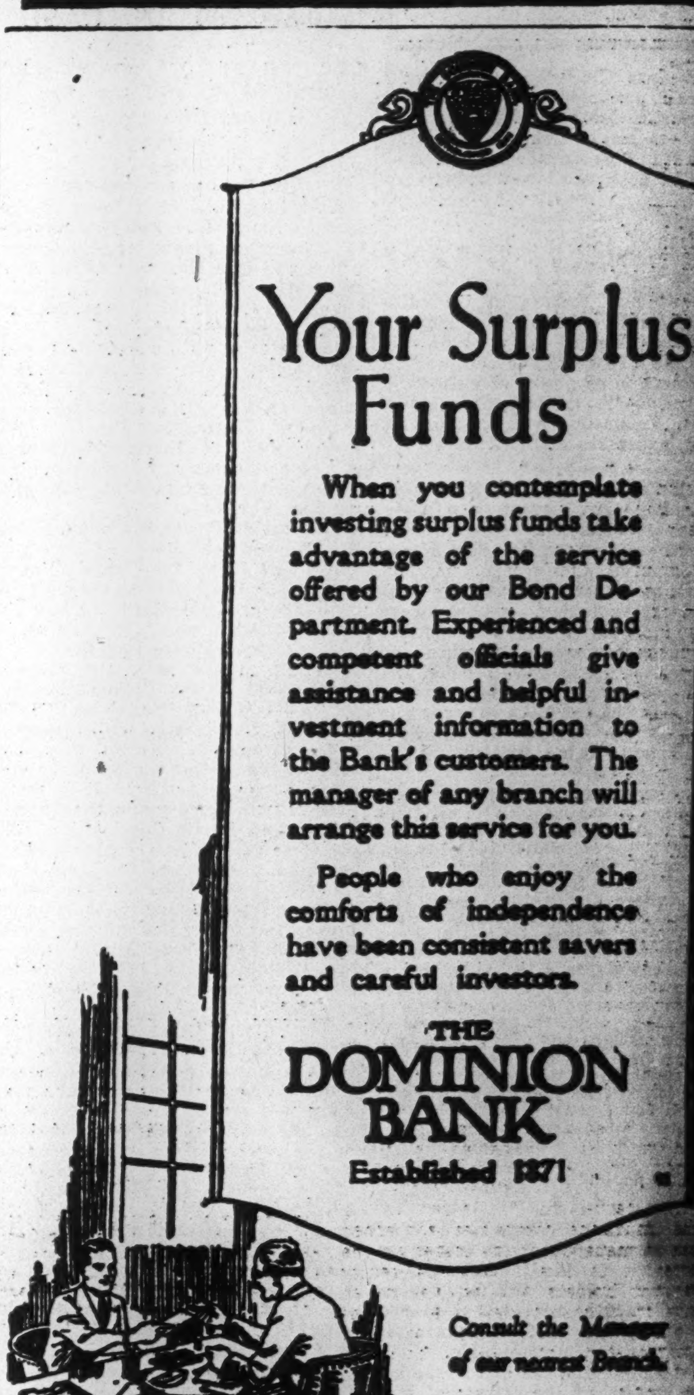

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FINANCE CORP.'S BONDHOLDERS MAY NOT FARE BADLY

Manufacturers Finance May Realize Upon Assets in Subsidiaries

Minute examination and valuation of more than 10,000 promissory notes; appraisal of the assets of some six sizable subsidiary companies; and negotiation and possibly court action against four insurance companies guaranteeing the paper, —all this and a great deal more must take place before it will be possible to place proper valuation upon the assets of the Manufacturers' Finance Corporation and arrive at an accurate idea as to what the shareholders and senior security holders can hope to get after the receiver is through with the company.

Manufacturers Finance Corporation, until recently believed to be in a fairly flourishing condition, and actively engaged in the paper discount business, chiefly came into the limelight through its acquisition of several finance companies carrying on a mortgage discount business in Canada. Amongst these is included the Bankers Discount Corporation, the Brantford Finance Corp., the Discount Corporation of Canada and the Dominion Finance Corp. These companies were all acquired by the Manufacturers during the past two or three years by an exchange of shares, and their assets will, therefore, go to swell the assets of Manufacturers available for creditors.

In addition the Manufacturers had large holdings in Quebec Realty Corp., owners of certain Montreal income properties, and in the Trinity Apartments.

Bad Accounts Blamed

The cause of Manufacturers' downfall and the appointment of G. T. Clarkson as interim receiver and custodian, is laid at the door of certain bad accounts carried for three piano and instrument houses closely allied to Manufacturers. Rediscounting of these companies' paper in large quantities is stated to have seriously jeopardized Manufacturers' Finance and brought about the application for receivership.

The principal larger accounts of Manufacturers for which they discounted paper were the International Piano Co. of Listowel, the Hardy Lushby Co. of Windsor, and the Ontario Piano Co. of Toronto. Application for receivership has already been filed for the first-named company, and the Clarkson firm have been appointed interim receivers for the other two firms.

At the present time Clarksons are making a thorough audit of the Manufacturers' books and going into the matter of assets and liabilities of subsidiary companies; and every effort possible will be made to collect—one way or another—the notes due the company. Four insurance companies are concerned as guarantors of the commercial paper handled by the Manufacturers; and if it is necessary to institute suit against these companies to make good their guarantee, a considerable time will likely elapse before the whole matter can be cleared up. If the insurance companies concerned can be made cover the losses on the notes, it is likely that the senior security holders will be well taken care of with some left over for the stockholders; but if the insurance companies do not make good guarantees on notes, it is doubtful if even the senior security holders will fare very well.

It is expected that an interim statement of book value of assets and liabilities to date will be ready within a few days.

MacLeod Reopens

MONTREAL.—The MacLeod Pulp and Paper Company has re-opened its two pulp mills at Rapid Falls and Cowie Falls, Nova Scotia.

C.S.L. Extends Hamilton Facilities

It is learned that the Canada Steamship Lines has virtually completed plans for the construction of docks and a terminal warehouse on the waterfront at Hamilton, which may call for an expenditure of approximately $2,000,000. Copies of these plans, it is said, have been submitted to the Federal Department of Marine for approval.

WIND UP AFFAIRS NATIONAL CEMENT BEFORE YEAR END

Expect Distribution of Shareholders' Equity Next November

From Our Own Correspondent

MONTREAL. — Necessary arrangements are being made to dissolve the National Cement Company some time in November. At that time the shareholders will receive their equity.

This company was incorporated in 1923 for the purpose of manufacturing and distributing Portland cement. A plant was established in Montreal East, with a capacity of 3,600 barrels a day, and production commenced in November, 1925.

The National Cement shortly thereafter became involved in a price war with the Canada Cement Company. The result of this fight never became known as the National Cement has not published an annual statement, nor did the report of Canada Cement reflect any pronounced change.

In February this year, however, the company was acquired by Alfred Rogers and associates of Toronto. The company's capital set up includes $1,450,000 of 7 per cent. first mortgage bonds; $1,979,300, 7 per cent. cumulative preferred and 50,000 shares of no par value common stock. The latter is all privately held.

Belding-Corticelli is in Bettered Position

From Our Own Correspondent

MONTREAL.—Earnings of Belding-Corticelli for the first seven months of its current fiscal year are understood to compare favorably with those of a year ago. The company is an ably-managed little organization and its shares are mostly closely held. For the first six months of 1928, the company declared a 3½ per cent. dividend which indicates that the stock is now on a 7 per cent. basis. Since 1925 the common has been on a 6 per cent. basis.

Over recent months the common has experienced a steady appreciation. The present bid price is around 125 and compares with a bid of about 85 per share at the beginning of the year. The appreciation in the shares is due in part to the increased dividends and due in part to the expectation that the company will be able to continue improving its earnings and strengthening its liquid position.

At the beginning of 1928, The Financial Post recommended Belding-Corticelli as a business man's speculation, together with a group of stocks in a similar class. While Belding-Corticelli occupies a strong liquid position, it still carries on its balance sheet a good-will account of $500,000. The liabilities though show a reserve for depreciation equal to more than 50 per cent. of the total fixed assets and the surplus account in the last balance sheet stood at over $400,000.

J. S. MITCHELL STOCK LISTED

From Our Own Correspondent

MONTREAL.—The Montreal Stock Exchange announced this week the listing of 15,000 no par value common shares and 5,900, 7 per cent. cumulative redeemable preference shares of J. S. Mitchell and Company. The ticker breviation will be "J.L." The issues are at present listed on the Montreal Curb.

LOCAL HOLDERS READILY TAKE UP RENFREW SHARES

New Renfrew Industries is Largely Community Affair

Re-financing of the group of companies in Renfrew, Ontario, controlled by Hon. Thomas A. Low, former minister of trade and commerce, is being carried on locally and it is assured that after the new company, Renfrew Industries, Limited, which is acquiring the five Low enterprises, has completed its exchange of shares and sale of bonds practically all of the stock and bonds will continue to be held by Renfrew people as in the past. The apparent readiness of former shareholders to join the larger scheme for a merger of their companies is a tribute to the reputation in his community of Mr. Low, who fathered the enterprises and has made successful companies of them.

The five companies being merged, as outlined in The Financial Post last week, are Renfrew Electric Products, Renfrew Flour Mills, Renfrew Refrigerator Company, Renfrew Manufacturing Company and Renfrew Realty Company.

Founded Power Company

The Low group of Renfrew enterprises had its initiation some thirty years ago when Mr. Low founded the Renfrew Power Company. For seventeen years the company paid annual dividends of ten per cent. About twelve years ago the plant was taken over by the town and the shareholders received $175 for shares that had cost them $100.

Since then, Mr. Low has established additional industries locally and financed them with Renfrew money. He can now point with considerable pride to the fact that in that period investors have never lost money in any company promoted by himself while bond interest and dividends have been paid with due regularity. None of the shares have been listed but Mr. Low has personally maintained a market for the securities and recently informed one of the meetings of shareholders that he proposed to do the same thing for shares of the new Renfrew Industries. Mr. Low will continue to be the backbone of the new company, as with the constituent companies in the past he is providing protection for the companies in the form of $400,000 of life insurance on his own life payable to the companies.

Bonds, Preferred and Common

Bonded indebtedness of Renfrew Industries will consist of $300,000 of 6½ per cent. first mortgage bonds.

Issued share capital will be $300,000 of seven per cent. cumulative preferred and 50,000 shares of no par value common stock.

To date, about 75 per cent. of the shares and bonds of the constituent companies have been turned in for exchange. If any stock is not turned in, the company has the privilege of redeeming same at a premium of five per cent.

An issue of seven per cent., five-year notes, is also being created.

Basis of Exchange

The basis of exchange is as follows:

For each $100 of bonds or debentures of a constituent company $100 of the new bonds.

Preferred stock on a share for share basis for preferred shares in the former companies.

Five-year notes for similar notes of Renfrew Flour Mills.

Each of the constituent companies will receive common stock and preferred shares for their common stock equities on the basis of book value, the preferred stock of the new company being considered as worth $100 and the common stock as worth $2 in making the exchange. No doubt this stock will be distributed pro rata among the common stockholders of each of the constituent companies.

ZIMMERKNIT CO.'S EARNINGS ARE GOOD

Full Benefit of Subsidiaries Will be Felt in 1928

Earnings of Zimmerknit, Limited, for the past four months are stated to be keeping well up with the showing of the fiscal year 1927-28 when $1.27 was earned on the common stock.

It will be recalled that the annual statement showed only seven months' earnings for Harvey, Limited, and Hosiers, Limited, against which there will be a full year's earnings this year. Bond interest and preferred dividend charges, on the other hand, were each only for a portion of the total issued securities; and for the whole year 1928-29 these charges will be considerably higher. The full year's profits from the subsidiaries mentioned will likely more than take care of additional charges, leaving earnings this year slightly better than the $1.27 earned on the common shares in their past fiscal year.

The raw material market for the company's products is stated to be quite favorable; and granted no adverse changes in market, present rate of profits should be well maintained throughout the year.

B. A. BREWING CO. COMPLETES ADDITION

Builds Ale Brewing Plant to Meet Tourist Trade Demand

The British American Brewing Co. has just completed an ale cellar and ale brewing plant at a cost of $125,000, and within the next fortnight will commence brewing ale.

The new ale cellar will have a capacity of 55,000 barrels; and the new plant's capacity will be more than 500,000 cases of ale a year.

British American Brewing Co. was established in the Canadian Border Cities some 45 years ago, and has a present issued capital of 60,000 shares class "A" stock, now paying $2.50 per share.

Plan Big Developments for Prescott Lake Terminal

From Our Own Correspondent

MONTREAL.—Plans are being prepared for a 1,500,000 bushel grain elevator and other works at Prescott, consequent upon its being made the new lake transfer terminal.

The completion of the Welland Canal in 1930 will enable the big ships to come down to Prescott where the transfer of cargoes to the smaller vessels will take place. Work on the canal is such as to require steady progress to finish it by 1930, but that is still the objective. The Prescott works, apart from docks and general dredging will call for the deepening of the channel. The work will be carried on partly by co-operation with the states.

Montreal Grain Shipments Likely to Exceed Last Year

From Our Own Correspondent

MONTREAL.—Grain shipments from the port of Montreal have picked up lately, and figures to date show that deliveries are only 9,000,000 bushels behind last year's record. In 1927, eight new records were set up by the grain elevator system of the port. Therefore, if the harbor officials can exceed last year's record delivery figures of 195,247,914 bushels, which, in itself, was about 30,000,000 bushels in excess of the total for 1926, they will set up a further list of new records for the port of Montreal.

The new storage annex, when completed, will be an extension of 3,000,000 bushels to elevator No. 3. Its completion will increase the capacity of this elevator to 5,000,000 bushels and the entire port to 15,162,000 bushels.

Instal Canning Machinery

Machinery is now being installed in the plant at Medicine Hat purchased by the Broder Canning Company and tomatoes and fruit from the Medicine Hat area and British Columbia will be canned there this fall.

Government Issues Survey of Western Water Supply

From Our Own Correspondent

MONTREAL. — Volume 54 of the Water Resources Papers which deal with the surface water supply of Canada, has been issued by the Dominion Water Power and Reclamation Service of the Department of the Interior.

This number contains the results of investigations made by the Dominion Hydrometric Survey during the climatic year October 1, 1925, to September 30, 1926, in the provinces of Alberta, Saskatchewan and Manitoba and the extreme western part of Ontario.

The report contains a short explanation of the purpose and scope of the work and two hundred and seventy-eight pages of stream flow and meteorological data, with an index map showing drainage areas and the location of gauging stations.

Brokers' New Abode Was Formerly Bank

From Our Own Correspondent

MONTREAL.—A former St. James Street office of the Royal Bank has been remodelled as new quarters for Watson and Chambers, members of the Montreal Stock Exchange. The company was formerly in the Transportation Building.

The offices are on the ground floor of the Commercial Union Building and are equipped with two trans-lux ticker projectors for both New York and Montreal markets.

The firm is composed of W. S. Watson, W. D. Chambers and the floor member is H. L. Moreau.

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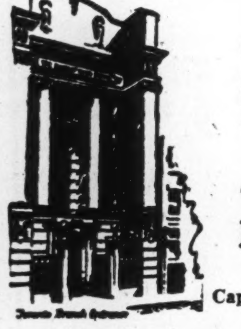

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OTTAWA SEEKS NEW RULING ON STEAMSHIP TAX

Canada Steamship Lines Are Affected by Legislation

From Our Own Correspondent

MONTREAL. — Representations which are being made by the Department of National Revenue with Washington in regard to obtaining a department ruling on taxation of steamships plying between Canadian and United States ports, will have, if successful, a good influence on the finances of the Canada Steamship Lines

For some time Canadian steamers on the Great Lakes have been liable to pay to the United States Government a certain percentage of their earnings. The practice in Canada and other countries is that steamship lines shall pay the taxation in the country where they are registered or have their headquarters. At present the United States levies a tax of 13½ per cent. Canada's rate is only 8 per cent. and the government allows a rebate of whatever is paid to the States.

Tax Foreign Shipping

Instructions have been issued by Washington to tax all foreign shipping companies, including Canadian, and to make it retroactive to 1916. If this were applied to the Canada Steamship Lines, which operates both in Canada and the United States, it would have to pay an amount in excess of $300,000.

After the excellent showing that the company has made since the post-war depression, it would go hard with the company to have to pay this tax.

The decision of the United States is a new one, as neither government heretofore has been active in the taxation of the foreign profits of domestic shipping.

What is now hoped for is a reciprocal agreement whereby the profits of any company on its foreign business, as well as its domestic earnings shall be taxable exclusively in the country of registry. In other words, Canadian companies would be taxed here and American companies in the States, regardless of the amount of business done outside. If this should not eventuate the financial effects will be very serious, but there is every hope of an agreement being arrived at. Canada does not tax the Cunard, White Star or other ocean steamship lines, offices and other property they own on Canadian soil.

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Duluth Superior Net is Lower

A decline in gross revenue of 5.38 per cent. with operating expenses only .35 per cent less than a year ago and higher fixed charges resulted in net income of the Duluth Superior Traction Company dwindling to $2,933 for the second quarter of this year against $28,410 for the corresponding period of last year. Gross revenue was $457,314 against $483,338 a year ago; while operating expense amounted to $373,606 against $374,904 and fixed charges increased from $80,024 to $80,774.

For the half year, gross revenues were $1,014,643 against $1,050,578, a decline of 3.42 per cent. Operating expenses and fixed charges were proportionately higher leaving net income of $53,246 against $90,418 in 1927, a decline of 41.11 per cent.

Large Decreases in Twin City Income

Substantial declines in net income both for the 2nd quarter and for the entire half year, are shown by the revenue statement of the Twin City Rapid Transit Co.

Gross revenues for the 2nd quarter of this year amounted to $3,167,779, the small decline of only 1.27 per cent. from same period of 1927; but operating expenses increased from $2,403,178 to $2,438,194 and fixed charges and taxes advanced from $541,847 to $580,473 leaving a net income of only $149,111 compared with $263,352 a year ago, a decline of 43.38 per cent.

For the first half year gross earnings were slightly higher at $6,876,251 against $6,874,277; but operating expenses and fixed charges were a great deal higher leaving net income of only $573,672 compared with $744,395 in 1927, a decrease of 22.93 per cent.

Quebec Estimates Passed

Estimates of the Quebec Harbor Commission to the amount of $3,129,400 have been approved by the Federal government. They embrace a variety of undertakings connected with the port, the principal item being $1,000,000 for a grain elevator.

Public Utility Earnings

Brazilian Traction

June—	1928 Dollars	1927 Dollars	Increase Dollars
Gross earn.	$3,631,329	$3,197,650	$ 433,679
Oper. exp.	1,512.467	1.287,427	225,040
Net earn.	2,118,862	1,910,223	208,639
Aggre. gross from Jan. 1	20,538,960	18,420,989	2,117,971
Aggre. net from Jan. 1	11,895,939	10,610,290	1,285,649

B. C. Electric Railway

	1927	1928	Increase
Gross earn.	$1.034.297	$1,088,731	$ 54,434
Exp., mainten., &c.	768,767	790.456	21,689
Net income	265,530	298,275	32,745
Aggre. gross from 1, July, to 31 May, 1928	11,719,993	12,373,069	653.076
Aggre. net from 1, July, to 31 May, 1928	3,387,090	3,612,394	225,304

Can. Western Natural Gas

	1927	1928	Increase
January	$199,753	$263,065	$ 63,312
February	193,421	197,750	4,329
March	168,005	196,107	28.102
April	141,436	173,613	32,177
May	102,615	99,446	x3,169
Aggre. earn. from 1st Jan. to 31st May	$805,230	$929,981	$124.751

x Decrease.

Canadian Western Lumber
Statement of Lumber Manufactured, Sales and Price Realised for the Month of May

	1927 Feet	1928 Feet	Increase Feet
Lumber mfd.	9,020,872	11,107,000	2,086.128
Lumber sold	14,550,615	16,117,000	1,566,385
Price realised	$308,942	$351.404	$42,462
Aggre. lumber mfd. from 1st Jan. to 31st May	40,889,890	54.216,707	13,326,817
Aggre. lumber sold from 1st Jan. to 31st May	48,858,765	57,110,577	8,251,812
Aggre. price realised from 1st Jan. to 31st May ..	$1,065,896	$1,260,587	$194,691

Winnipeg Electric

	Mar. 1927	Mar. 1928	Increase
Gr. earnings	$ 516.059	$ 547,036	$30,977
Expenses ...	327,420	368,509	41,089
Net earnings	$ 188,639	$ 178,527	x$10,112
	3 mos. 1927	3 mos. 1928	Increase
Gr. earnings	$1,570,645	$1,645.371	$74,726
Net earnings	583,327	550,549	x32,778

xDecrease.

B. C. Electric Railway Consolidated Account

	May, 1927	May, 1928	Increase
Gr. earnings	$ 1,034,297	$ 1,088,731	$ 54,434
Work. expenses	768,767	790,456	21,689
Net income	$ 265,530	$ 298.275	$ 32,745
Gross earn. from 1st July to 31st May, 1928	$11,719,993	$12,373,069	$653,076
Net. earn. from 1st July to 31st May. 1928	$ 3,387,090	$ 3,612.394	$225,304

Public Utility Investments

GOVERNMENT MAY DROP HYDRO PLAN IN SASKATCHEWAN

Plants Recommended for Purchase Already Municipal

FLAY COAL PROPOSAL

Public Power Commission Has No Scheme for Generating New Power for Province

From Our Own Correspondent

REGINA.—The Saskatchewan Power Commission has brought in its eagerly expected report to the government on the power situation in the province. Although it recommends that the government of the province undertake a provincially-owned system of power development with distribution to local consuming centres, there is reason to believe that the report itself makes that outcome somewhat unlikely. The reason is that the commissioners, who have been at work during the past eighteen months, recommend against any large scheme for a central power plant. Power for Saskatchewan must be produced from coal, the hydro power sites available in the province being too far north to permit early development for general distribution of power throughout the province. One idea which has long been in mind in Saskatchewan is for a great power plant to be established at Estevan, where coal deposits are available. This "Souris" coal, as it is known, is comparatively low grade, and owing to that fact, and to its high moisture content, it has so far found only a limited market. Burning it on the spot for electrical power development, it was hoped, would provide both a market for the coal and for power to be distributed. The commission finds that, for the present, the cost of transmitting power from Estevan to Regina would be higher than the freight on the equivalent coal. Further, the Regina plant would have to be retained as a standby, resulting in a duplication of fixed charges. The report suggests that at some time in the future the power demand may be sufficient to justify a transmission line of large capacity, when power development at the mines would be feasible.

Against Central Plant Also

The commission's report also disposes of the idea of a central power plant at Elbow, or some corresponding point equi-distant from the principal cities of the province. Such a plan was suggested in the power conference recently held between the provincial government and the representatives of the cities of Regina, Moosejaw and Saskatchewan. Elbow was selected for consideration both because of its central location and the fact that unlimited supplies of water are available there from the Saskatchewan River. However, the commission finds that it would be more economical to continue to develop power at the existing power plants of the cities named.

The commission therefore recommends that power continue to be developed at existing power plants in the three principal cities. These, it states, are highly efficient at the present time, and capable of development where they will compare favorably as to cost of power with hydro electric plants, except where the latter are established under the most favorable conditions. Instead, however, of leaving the plants in question to be operated by the respective cities, the commission recommends that they be acquired by the government as the nucleus of a large provincial scheme. Regina, according to the plan, would be connected by transmission line with Moosejaw, in order to postpone additional capital expenditure at the latter point. The Saskatoon plant has been outgrown, and according to the commission's report, should be rebuilt at a cost of $1,500,000. This would give a surplus of power which could be carried by transmission lines to Prince Albert and Battleford, to reinforce the power developed at the existing plants there.

Propose Secondary Lines

In addition to these two main systems, the commission recommends that secondary systems be established tributary to such centres as Estevan, Weyburn, Swift Current, Yorkton or Melfore. The present consumption of power in Saskatchewan, the commission finds, is 80 per cent. in the larger cities. Farm and rural electrification, except in districts tributary to the larger centres, or transmission lines connecting them, will apparently have to be a decidedly gradual growth.

It remains to be seen whether the Gardiner Government will commit itself to a policy based upon the commission's report. The commission was appointed by the government, not only as the result of public demand for an inquiry into the best power scheme development possible for Saskatchewan, but also, it is believed, on account of a desire in government circles to enter on some large public ownership plan. But the report is discouraging in that respect. Merely to substitute the province for the cities in the ownership of power plants in the cities of Regina, Saskatoon and Moosejaw does not carry any great appeal, nor does it hold out much promise of cheaper power. Saskatoon may well be enthusiastic for the plant, as its system needs some immediate additions, and the city would be very glad to be relieved of the problem of raising more money. Regina might like to raise some money by selling out its plant to the government. Outside of these cities there will be a great deal of opposition to the idea of raising money by the provincial government merely to transfer certain plants from municipal to provincial ownership. Most of the present and immediately prospective users of power live in or near the principal cities, but most of the voters live outside of the area in question.

Private Ownership Gains

There is also to be considered the fact that in recent months a large number of Saskatchewan towns have sold out their municipally owned plants to the three competing companies which are attempting to establish large scale power systems in Saskatchewan. One of these is the Montreal Engineering Company which proposes to develop power at Estevan for distribution to the immediately surrounding territory. Another is the Dominion Electric Power Company, with its greatest strength in the southwest part of the province, while the Mid-west Utilities Company has its principal franchises in the towns in the eastern and northern part of the province. Ratepayers in the towns in question have not thought enough of public ownership as a theory to hang on to their own plants, or to delay making contracts with the different companies until the provincial scheme, if any, should be announced.

It appears, therefore, that such a scheme as the commission favors, leaving out of account the engineering and economic features, will be polticially weak in so far as the majority of voters in the country and in the small towns are concerned. If brought in, no matter how well it might be received in the larger centres, opposition in the legislature is almost certain to develop from districts which would have to share in the financial burdens without sharing in the benefits.

Algoma Pulp Firm Finances in England

MONTREAL.—An issue of $1,750,000 preference shares, divided into shares of $5 each bearing interest at 8 per cent., of the Algoma Pulp and Paper Docks Company, was offered at par in London, Eng., this week. A similar total of ordinary shares of no par value was issued at 60 cents each.

The company is to acquire all the capital stock of the Austin and Nicholson, Ltd., with Ontario Government license to cut timber and pulpwood over 800 square miles.

The directors of Algoma Pulp and Paper Docks Company are Viscount Falkland; Lt.-Col. George Bridges; James Lyons of Sault Ste. Marie, Ont., former Ontario cabinet minister; Major-General Donald Hogarth, Captain Samuel Woodger and Harvey D. Morris.

Again Advise Buying Canadian Bank Shares

A. D. Watts & Co. have revised their booklet on Canadian Banks and Banking System. An analysis of the system is made and also of each individual bank. In concluding their summary of the Canadian banking system, they point out that it is very difficult to compare Canadian banks with those of the United States, Great Britain and Europe. The branch system does not prevail in the United States and as a result the large domestic banks transact their business in one centre. In Great Britain, although the branch system is in operation, the density of population is such that the maintenance of weak banks is less likely. These factors are not present in Canada and must be considered when making comparisons.

With regard to the double liability feature, which is advanced as an argument against the purchase of bank stocks, A. D. Watts & Co. express the opinion that it is extremely doubtful whether one will even be threatened with the payment of double liability. In spite of this possible call bank stocks in the United States are selling at ten or more times their par value and in Canada from two to four times their par value. "Doubts as to the future of Canada's important banks are doubts as to the industrial future of the Dominion itself. This country is on the threshold of a great era of prosperity. Eminent observers outside her borders have reached the conclusion that Canada is being forced into prosperity, sometimes in spite of herself, so to say. If this is the case, it is well that investors at this period study the possibilities inherent in sound Canadian bank shares. Banking institutions in their relations to the rest of the country may be likened to the nozzle of a hose. All that circulates through the length of the tube, no matter what tremendous volume is present, must sooner or later emerge through the nozzle, however small it may be. Just as surely must the state of industry and commerce of a nation be sooner or later reflected in its financial institutions. A prosperous Dominion means prosperous Canadian banks."

In the Mail

Opposes English Electric Deal

Editor, The Financial Post,

I notice your article in The Post of seventh inst. in regard to change in English Electric preferred and am surprised at it.

At present the preferred shareholders have the following

Preferred dividends at 8 per cent.,
Cumulative dividend,
Preferred as to assets,
Vote when dividend in arrears.

It is proposed to do away with the preferred dividend except that no dividend can be paid on common in any year unless 3 per cent. is paid on the preferred. As this is regardless of earnings there is nothing to prevent the directors passing the dividend for a year or more on some pretext, even if earned twice over, and later pay this to the common shareholders. This past year the preferred dividend was earned but nothing out of it has been paid to the preferred shareholders. Also A participates with B to only $4 not $5 as you state.

The preference as to assets is removed. In case of involuntary winding up, liquidation, or dissolution of the company (which expressions cover nearly any change that might take place) the preferred share equally with common in the assets, but when A gets $55, it gets no more and B gets the rest. In other words if the assets average $25 per share for both classes, both get $25. If they average $75 A gets $55 and B the remainder or about $100. A good example of heads I win, tails you lose.

The vote is taken away from the preferred except where its rights are in question. All that is left is preference of 3 per cent. when the directors want to declare it, regardless of earnings.

It is quite evident that the whole scheme is to do the preferred out of practically every right under which they invested their money in order to make more valuable B stock which no doubt represents no investment.

You state the cumulative feature of the preferred is of little value. The directors seem to think so. I do not agree with this. Ninety per cent. of the preferred stocks carry this and, if you are correct, all such stocks must be put in this way to deceive the investors. I do not think the majority of firms and brokers are of this type.

Investors have enough risk when they invest their money on certain terms and take the risk of the success of the business without having the risk of a type of directors which sets out to do them out of their rights.

The shareholders should get together to defeat this.

AN ONTARIO INVESTOR.

GOTFREDSON MAY DEVELOP U. S. BUSINESS

Mass Production For U. S. Market Offers Possibilities

Some slight improvement in the earnings position of Gotfredson Corporation is stated to have been brought about in the first half of 1928, though the improvement is not such as to warrant any great amount of optimism as regards returns to stockholders this present year. Orders to date are keeping well ahead of production; and output is being maintained at a slightly higher ratio than a year ago. Keen competition is, however, keeping the margin of profit fairly low, with a resultant small net profit. But a profit is said to be actually being made, against a deficit reported from last year's operations, after fixed charges had been met.

Present indications are that from 50 to 75 cents may be earned on the common stock over and above interest and other charges; but this small profit would scarcely warrant dividend hopes; and it will be necessary for Gotfredson to find some way of raising their earning power before shareholders can expect resumption of dividends.

As a matter of fact, there is already a strong feeling in certain quarters that Gotfredson can best find a solution to her earnings difficulties by expanding the business of her American division and going after volume production of trucks for the United States market. In this connection it is pointed out that there are thousands of truck-fleet owners in the United States constantly in need of additional rolling stock both for replacements and expansion of their business; and with the excellent product produced by the Canadian company there are possibilities of a very great market to be developed across the border. Mass production in this case might solve the problem of narrowing margins of profit as a narrower margin of profit per unit would be profitable for the bigger business though insufficient to meet dividends on the lesser production.

There is also some talk of new financing of the American subsidiary and a definite drive for American business to bolster up the earnings of the Canadian company.

CANADIAN MARCONI BUSINESS INCREASING

Beam Service Profitable — Radio Business Shows Good Gains

Canadian Marconi Co., whose shares have changed hands recently in London at approximately seven times their par of a dollar, has successfully completed its beam service with Great Britain, and the system is stated to be satisfactorily operating at a considerable profit to the company. Preliminary work upon the beam system to Australia has been finished, and a service with that country will shortly be in operation.

Net profits of the company, which is capitalized at $4,504,682, amounted to $46,555 in 1927 against $24,362 in previous year. Manufacture and sale of radios is now an important part of the company's business, which has shown substantial increases this present year to date; and with the contemplated heavy business for the beam service from now to December 31st, a substantial increase in earnings will likely be recorded for 1928.

Monterey Rwy. L. & P. Earnings Are Better

Passengers carried by the Monterey Railway, Light and Power Co. during the year 1927 totalled 7,380,000 compared with 5,892,000 in previous year. Gross earnings of the company totalled $1,242,336 against $1,213,397, and surplus of $75,838 showed a slight increase.

Interest and sinking fund obligations have been met on the 5 per cent. "A" first mortgage stock.

National Steel Car Output Near $5,000,000 in 1927

From Our Own Correspondent

MONTREAL.—The aggregate production of the National Steel Car Company, for the fiscal year ended June 30 last, is said to have amounted to $5,000,000, approximately thirty per cent. of which was of manufactured materials other than standard railway equipment.

Although the financial statement will not be issued for a short time, it is generally understood that the company earned over $4 a share on the common. This was after liberal deduction had been made out of current earnings for plant improvements, depreciation, reserves, etc.

It is understood that all the National Steel Car side lines are being produced on a satisfactory manufacturing basis and have contributed materially to the company's improved earnings.

The company has at the present time, a substantial amount of orders on hand and recent orders received include one of good proportion from the Ford Motor Company.

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CANADA — HER GREATEST PROBLEM

IMMIGRATION

CANADA needs MEN—men to plow her lands, to turn her mineral and forest wealth to commercial value —to serve her industries.

Her total population represents but three persons per square mile of her area. Compare this with England's population of 701 per square mile, or Belgium's 665, or Germany's 346, or Japan's 320, or France's 192

And then compare the position that Canada holds in competition with these nations.

She leads the world in wheat exports; per capita she is second among world traders in foreign markets; she is the world's greatest newsprint producer, and its third greatest gold producer. The world is largely dependent on her for nickel, asbestos and cobalt. With practically one-twelfth of the population of the United States, she does roughly one-fourth the foreign trade of that country.

What would be Canada's position had she her fair share of man power?

The problem of immigration is one that should occupy the attention of every thinking Canadian. It is not a problem only for statesmen —it is a problem for *everyone*.

Look Ahead! The opportunities of to-morrow are in the making to-day

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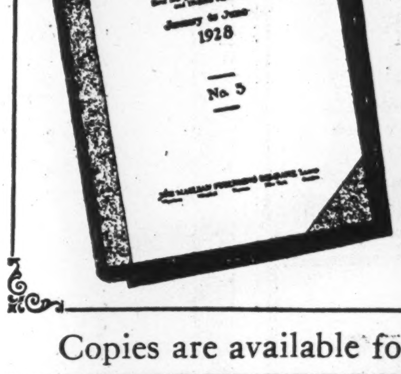
200 New Issues

IN the first six months of this year practically 200 new issues of corporation, foreign and other major securities were offered in Canada. The volume of such financing was the greatest in the history of Canada.

It is difficult for financial houses, banks and investing institutions to maintain adequate files of the prospectuses of all such issues and yet such files are essential to a well-conducted business. Fortunately it is no longer necessary to keep extensive files. The Financial Post Record of Prospectuses, published every six months, brings the record up to date

Volume 5 covering the period from January to June, 1928, is now ready.



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New Issue

David & Frère Limited
Class "A" Common Shares
of no par value

The Company David & Frère Limited has been incorporated to acquire the entire business and assets of the David & Frère Company established in 1905. The Class "A" shares are preferred over the Class "B" shares as to annual dividends of $2.25 per share.

Total sales for the past five years have increased from $513,386 in 1923 to $815,712 in 1927, and net earnings from $67,751 to $105,066. Earnings for 1927 are equal to twice the amount required to pay a dividend of $2.25 on the Class "A" shares.

Under present capitalization, total assets will show a net value of $850,000 after depreciation, and net working capital will amount to $150,000. The Company has neither funded indebtedness nor bank loans outstanding; all income will therefore be applicable to the Common Shares.

Price: $35.00 per Class "A" share and accrued dividend, with a bonus of 40% of Class "B" shares.

Fractional "B" shares will be adjusted at the rate of $12.00 per share.

Prospectus on request

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News of Investment Markets

DEVELOP MARKET INSIDE OF EMPIRE, AMERY'S ADVICE

More Important Than Market of Rest of World, He Says

DEVELOP EMPIRE—

Quite a gathering of notables assembled the other day in London at an anniversary dinner celebrating the founding of Eno's. Messrs. J. C. Eno, Limited, recently recapitalized under the name International Proprietaries, Limited, shares of which were offered to the Canadian public.

Among the speakers at this dinner was Sir Robert Horne, former Chancelor of the Exchequer. Sir Robert discussed Empire Trade and stressed the importance of trade preferences with the Dominions and the necessity for their continuance.

Another guest of note was the Rt. Hon. L. C. M. S. Amery, who stated that the Empire market was already worth more to Great Britain than the market of the world outside. He urged greater co-operative effort, stating that there could be developed within the Empire a total production and a home market at least four times as great as that of the United States.

IMP. TOBACCO HAS EXPANSION PLAN IN VIEW

Shareholders Are Asked to Increase Capital Stock

From Our Own Correspondent

MONTREAL. — The shareholders of the Imperial Tobacco Company of Canada meet on August 10 to increase the authorized capital stock of the company by 3,000,000 ordinary shares of $5 par value.

Imperial Tobacco now has outstanding 7,585,160 shares of $5 par value out of a total presently authorized of 7,800,000 ordinary shares. The company has no funded debt, but has outstanding 1,650,000 shares of £1 par value in preferred stock.

The official announcement that the company proposed to increase its authorized capitalization does not, of course, necessarily mean that the 3,000,000 shares will immediately be issued to the shareholders at a price below prevailing market quotations. Nevertheless, it indicates that the management has some expansion plans in view. Moreover, the fact that officials of the company will make no statement at the present time indicating to what uses the increased authorized capitalization will be applied seems to indicate that the management has some expansion in mind.

Will Surely Expand

If the company issued the whole of the additional 3,000,000 shares at, say $7 a share, to its stockholders, this would net the treasury of Imperial Tobacco $21,000,000. Such a sum would allow the absorption of one of the other large tobacco companies. Such a development, though, seems improbable.

In any event, it seems certain that the corporation proposes issuing some of this stock, and even an issue of a small proportion of the to be authorized 3,000,000 shares would yield an amount permitting large scale expansion perhaps by way of acquiring further companies.

It is known that Imperial Tobacco recently acquired one new company and it is rumored that further steps along similar lines are expected.

It is understood that the business of the company has grown substantially during the current fiscal year, which ends September 30 next.

Bruck Silk Mills Stock Called for Trading on Curb

From Our Own Correspondent

MONTREAL.—The outstanding 25,000 shares of no par value common stock of the Bruck Silk Mills has been called for trading on the Montreal Curb this week. Up to the present, there has only been a street market for the stock which has had a nominal price of about $30 a share.

The Bruck Silk Mills was publicly financed by Williams, Partridge and Rapley in 1925, when some of the common shares were distributed as a bonus. Originally the company manufactured only pure silk, but developments in the textile industry necessitated changes in the company's output and the plant commenced turning out silk by the loading process whereby lower grades of pure silk are built up to resemble the finer grades.

Last year a new plant for loading and dyeing silk was added to the company's fixed assets. In addition to its own output the company carries out custom work for other concerns which turn over their imports of the Bruck Company for loading and dyeing. In the loading process tin and chemicals are added to the silk which improve its quality.

Although the company only had the advantage of its new plant during the last five months of 1927, earnings on the common, after all charges including a generous depreciation allowance amounted to $3.23 a share. During the current year the increase in the earnings was substantial. The funded debt amounts to $539,000 in 6½ per cent. first mortgage bonds.

This Week's Bond Sales

Shawinigan Falls

The Canadian National Railways was the successful tenderer for an issue of $109,000 4½ per cent. serial bonds of the town of Shawinigan Falls. Their bid was 93.40. Tenders follows:

Can. National Railways	93.40
Wood, Gundy & Co.	92.81
A. E. Ames & Co.	92.39

Town of Drummondville

An issue of $54,000 5 per cent. bonds, due 1 to 30 years, of the Town of Drummondville, has been awarded to Credit Anglo-Francais at 99.32.

Bond Values Hold Advance Index Shows

From Our Own Correspondent

MONTREAL.—Although the bond market has not exhibited any signs of strength in the past three or four weeks, values have been well maintained. This is indicated by the Dominion Bureau of Statistics' index of bond values, compiled up to the end of May. At that period the index stood at 113.0—100 representing the monthly average for 1922 to 1925.

There has been a steady appreciation in bond values since the beginning of 1924. In January of that year, the index stood at 106. By the end of the year it had increased to 106.7. A more marked change took place in the following year, when the index advanced from 107.0 to 108.4. Further gains were reported in 1926 and 1927.

For January last the bond index was 112.4. An advance to 113.0 was recorded in February and values have since been maintained at that level.

Current expectations are that the bond market will not show much change until the fall months, when values are expected to show a further gain.

Bond Notices

MONTREAL. — Brompton Pulp and Paper Company is redeeming all of its 6 per cent. consolidated mortgage bonds on November 1 next at 105. Payment will be made at the office of the National Trust Company, Montreal, or at the Canadian Bank of Commerce, London, Eng.

Maple Leaf Milling Company is retiring $56,000 of its 6½ per cent. first mortgage bonds, series "A," 1943, at 104 on August 1 next.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Abitibi Fibre	6%	1928	Aug. 1	104½
St. Law. Paper Mills				
A & B, 20-yr.	6%	1928	Sept. 1	105
10-yr. debs.	6½%	1929	Jan. 2	102
St. Francis W. P. Co.	7%	1930	Aug. 1	102
N. Bawlf Grain	6½%	1939	Sept. 1	105
Que. R. L. H. & P.	5%	1939	Dec. 1	105
Beauharnois Elec.	5%	1942	Sept. 1	105
Can. Gyp. & Alb.	6½%	1943	Aug. 1	105
Brompton P. & P.	6%	1946	Sept. 1	105
N. S. Trams "A"	7%	1952	Oct. 1	110
St. Maur. Power	6½%	1953	Aug. 1	107½
Annex Realty Corp.	7%	Serial	Sept. 1	105
Canada Vinegars	6½%	1945	Dec. 1	105
Drummond Invest.	6½%	1938	Nov. 1	105
Mercury Mills	6½%	1942	Nov. 15	105
Murray Bay Paper	6½%	1947	Oct. 1	105
N. Bawlf Grain Co.	6%	....	Dec. 1	100½
Annex Realty	7%	Serial	Sept. 15	105
347 Bay St.	7%	1940	Sept. 1	103
Fam. Players	6½	1943	Aug. 1	105
Howard Smith	6%	1934	Dec. 1	105
Guelph Carpet	6%	1941	Sept. 1	105
P. Lyall	6%	1932	Sept. 1	105
Man. Paper	6½%	1946	Oct. 1	105
Ottawa Hull Pwr.	6%	1948	Aug. 1	105
Quebec J.C. Electric	5%	1931	Aug. 1	110
St. Anne Paper	6½%	1946	Sept. 1	104½
St. Anne Paper	6½%	1936	Sept. 1	104
Abitibi Power	6%	1931	Sept. 15	101½
St. Maur. Paper	6%	1945	Sept. 1	105
St. Maur. Paper	6%	"B"	Sept. 1	105
Brompton P. & P.	6%	1946	Sept. 1	105

Offer Knitting Issue First Mortgage Bonds

MONTREAL.—Nesbitt, Thomson and Company offered this week an issue of $750,000, 6 per cent. first mortgage bonds of the J. R. Moodie Company.

This company was incorporated this year to acquire and consolidate the businesses of the Eagle Knitting Company, Eagle Spinning Mills, Moodies Underwear, Ltd., and J. R. Moodie and Sons, Ltd. These companies are all located in Hamilton and have been engaged for a number of years in the manufacture of knitted goods.

Particulars of the issue follow:

$750,000
J. R. MOODIE COMPANY
6% 20-year First Mortgage S. F. Bonds
Series "A"

Dated: July 1, 1928. Due: July 1, 1948

Capital:	Authorized	Issued
First mortgage bonds (this issue)	$1,500,000	$750,000
Common stock (no par value)	30,000 shs.	30,000 shs.

Company: Formed to consolidate Eagle Knitting Co., Eagle Spinning Mills, Moodies Underwear Ltd., J. R. Moodie & Sons.

Properties—Companies manufacture high grade knitted goods with modern plant located at Hamilton.

Security: First mortgage bonds are secured by a specific mortgage on real estate, plants, buildings and other fixed assets of the company and by a floating charge on all other assets.

Assets: The present value of fixed assets to be acquired, together with estimated cost of new construction, amounts to $1,185,000. After giving effect to this financing, net current assets of consolidated companies, together with fixed assets, total more than $1,972,000.

Earnings: Combined net earnings, after deducting operating expenses, maintenance and repairs, for past five fiscal years have averaged $11,134.

Sinking Fund—Commencing July 1, 1930.

Management—Will remain unchanged.

Offer—Nesbitt, Thomson & Company at 100 and accrued interest, to yield 6 per cent.

NEW DOCK PLANNED TO SERVE ALGOMA

E. B. Barber Appointed to Succeed Late G. Montgomery

From Our Own Correspondent

MONTREAL. — Definite announcement was made this week of the appointment of E. B. Barber as general manager of the Algoma Central and Hudson Bay Railway. Mr. Barber has been comptroller of the railway for many years and will now take over officially the duties of the late G. A. Montgomery, who was vice-president and general manager of the Algoma Central and president and general manager of the Algoma Eastern Railway.

It is understood that plans are nearing completion for the new dock which the railway is to build at a cost of $500,000 at Michipicoten Harbor. This development is considered a prelude to very considerable activity in this area, and will probably lead to the opening of the pyrites mines at Goudreau which have been closed down since the war.

Smith Joins Montreal Trust Board

MONTREAL.—Julian C. Smith, vice-president and general manager of Shawinigan Water and Power, president of Montreal Tramways, and one of the leading utility men of the country, has been elected to the directorate of the Montreal Trust Company, at a meeting of the board held here.

BRITISH TRUST ADDS FURTHER TO ITS RESERVES

In Strongest Financial Position in Its History

That the British Empire Trust Co. has achieved the strongest financial position in its history, with fully adequate reserves and sufficient capital to assure still greater expansion and larger future holdings of profitable Canadian investments, was fully demonstrated at the twenty-seventh annual meeting of the company held recently in London, England. Analyzing the position of the company, John Davidson, managing director, said in part:

There are three features of the accounts which give cause for special satisfaction.

First, the very strong position disclosed by the balance-sheet. The quoted investments of the company, as certified by the auditors, are valued at the lowest market prices and a low value is put on the unquoted securities. The "Advances against Security" show satisfactory expansion and as the result of business on hand will show still further expansion during the current year. The "Cash in Hand and British Government Treasury Bills" amount to £295,101 8s. The reserve fund has been increased to £200,000, or an amount equal to over 26 per cent. of the paid-up capital of the company. The credit of the company stands higher to-day than at any previous time in its history.

Secondly, we have been able to recommend you to increase the dividend on the preferred ordinary shares from 6 to 7 per cent. by the payment of a final dividend on the deferred ordinary shares from 8 to 9 per cent. by the payment of a final dividend of 5 per cent.

Discussing the special bonus stock already reviewed in The Financial Post, Mr. Davidson said:

Thirdly, we are able and we consider it our duty in the special circumstances to recommend you to capitalize and distribute by way of special bonus in new 5 per cent. cumulative preference shares—a further amount equal to £90,677 0s. 3d. We feel that in making this recommendation we are considering not only your present but also your future interests. So far as the present is concerned, you will, if the special resolution to be submitted presently is duly passed, receive without any payment an allotment of 5 per cent. cumulative perpetual preference shares of this company amounting to 3s. in respect of each preferred ordinary share and 1s. 6d. in respect of each deferred ordinary share you hold. The new shares will rank pari passu with the £250,000 of similar shares already issued. They are a first-class investment, and if any shareholder desires cash there will be no difficulty in selling the whole or any part of the allotment at current market prices.

Discussing the B. C. Electric recapitalization, he said:

Those of you who have followed the proceedings of our annual meetings year by year will not be greatly surprised at the satisfactory result of the realization of our holding in British Columbia Electric Railway Company's securities. We have always taken a prominent part in the financing of Canadian enterprises, and we have taken the leading part in finding money for the British Columbia Electric Railway Company for the past 25 years, during which the capital in that enterprise has grown from approximately $3,000,000 in 1902 to over $66,000,000.

On many occasions during the past three years we have had expressions of desire to purchase the securities of the British Columbia Electric Railway Company for Canadian or American account. We neither welcomed nor encouraged these ambitions, but eventually the price offered resulted in a consensus of opinion in favor of accepting present gain rather than waiting on future advantages.

I am glad to say, however, that the control of the company has passed into strong hands; into the hands of people in Canada who have made successes in the development of water power and public utility undertakings in many parts of the world, and our faith in the future of this enterprise and of the great Province of British Columbia is as strong as it ever was.

We have been invited to represent the new British Columbia Power Corporation as London agents, and I am glad to say that we also have other interests in British Columbia, where we hope to have opportunities in the future of still further increasing our interests.

INVESTMENT TRUST RIGHTS COMING SOON

Canadian and Foreign Securities Corp. Has Substantial Earnings

Rights to subscribe for an additional amount of no par value common stock will shortly be offered shareholders of Canadian and Foreign Securities Corporation. This is in accordance with the action of shareholders at the last annual meeting when authorization was given for an increase in the capitalization by doubling the number of shares from 300,000 to 600,000.

During the past year the company has retired some $421,435 of its 6 per cent. debenture stock. The latter now amounts to $778,565 against $1,200,000 a year ago.

Earnings of the company in 1927 were substantial from investments in a varied assortment of Canadian government, municipal, public utility and industrial securities.

C.S.L. Subsidiary Secures Ford Coke Marketing Rights

From Our Own Correspondent

MONTREAL.—Sales rights in Ontario and Quebec for Ford coke have been secured by the Century Coal Company, a subsidiary of the Canadian Steamship Lines.

Through extensive advertising and sales campaigns the company expects to move at least fifty thousand tons of coke across its various docks this year. Of particular interest is the fact that Canada Steamship Line's boats will carry the greater proportion of the tonnage in the Ontario and Quebec district.

Ford coke will also be moved westward to the head of the lakes in Canada Steamship boats and it is expected that this will reach a total volume of approximately seventy thousand tons.

Tutt Succeeds Muirhead, Brantford Estate Officer

Announcement is made of the retirement of George H. Muirhead, as estates manager of the Brantford branch of the Canada Permanent Trust Co. Mr. Muirhead's retirement does not mean that he is entirely severing his connection with the company as he will continue to be a member of the advisory board, to which he was recently appointed. J. McIntosh Tutt will succeed him as estates manager.

Tenders and By-laws

Aug. 1.—School Commission of Richmond, P.Q.—$60,000 5%, serial debentures. P. J. Girard, sec.-treas.

Aug. 15.—Municipality of Waltham and Bryson, P. Q. — $19,122, 5%, serial bonds. A. Carroll, sec.-treas.

Aug. 1.—Halton County.—$32,600, 5%, 5-year, road debentures. W. Ponton, county clerk, Milton.

July 30.—Nelson.—$240,000, 4½%, 20-year debentures. W. E. Wasson, clerk.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Watford	July	Locally	5%	20-ins.	$40,000	100	5%
Pointe Claire	July	Rene T. Leclerc, Inc.	5%	Serial	41,500	98.81	5.12
Drummondville	July	Credit Anglo-Francais	5%	1-30	54,000	99.32	...
Shawinigan Falls	July	Can. National Railways	4½%	Serial	109,000	93.40	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Bond Issues—							
Hotel Genosha, Oshawa	July	United Bond Co.	6½%	Serial	$325,000	100	6½%
Stock Issues—							
Second Diversified Stand. Sec.	July	F. J. Fairhall and Associates	7%	Pref.	80,000 shs.	$25.50	6.86
Second Diversified Stand. Sec.	July	F. J. Fairhall and Associates	...	Com. "A"	80,000 shs.	.....	...
Bitumels of Canada	July	Privately	7%	Pref.	1,000 shs.	100	...

(With bonus of one-half share of no par common).

TIP TOP TAILORS GAINS ARE GOOD FOR SIX MONTHS

Production Increased by Large Percentage—Enlarging Premises

Analysis of business transacted by Tip Top Tailors in the first half of 1928 shows that even better results have been achieved than previously estimated. While the financial statement now in course of preparation is not as yet available, it is known that sales have been much ahead of last year, actually running for the six months from 25 per cent. to 30 per cent. above volume of sales for same period a year ago. For certain portions of this year the production ran to 5,000 suits a week, with the average of between 3,000 and 5,000 suits turned out weekly. And as cost of operating has been kept pretty well down, it is safe to infer that profits have been more than satisfactory. One estimate puts profits at more than $250,000 for the half year, with prospects good for further gains in second half.

Tip Top Tailors now has more than 1,800 agencies through whom it supplies clothing as well as the stores it operates itself throughout Canada; and the volume of this agency business has increased greatly during the past seven months, agencies from Halifax to Vancouver selling a great deal more suits than last year, the growth of agency business in the Maritimes and Western Canada being particularly gratifying. At the same time the company's store business has grown by leaps and bounds, necessitating a considerable increase in manufacturing output.

The direct-mail business has also shown gratifying gains, many farmers in both Ontario and Eastern Canada availing themselves of the self-measurement charts and the special made-to-measure service. Increased prosperity in the West that will follow a good crop this year will still further benefit the company, as its western direct-mail business already holds a strongly intrenched position.

The operating position of the company in Toronto is good, but increase in business has made urgent the need of larger manufacturing premises. While at the present time the greater percentage of the work is finished in the company's workshop, still a goodly percentage has to be sent out. To remedy this condition, which cuts into profits as costs are higher than where all the work is done under the one roof, it is expected that the company will shortly extend its manufacturing premises, probably doubling plant capacity and allowing all work to be completed within its own workshop walls.

MONTREAL PARK SIGNS CONTRACT

Automobile Assoc. Leases Stadium for Three Years

MONTREAL.—A contract has been entered into between the Montreal Exhibition Company and the Automobile Trades Association, whereby the latter leases a large portion of the stadium for three years on terms very favorable to the former. This means a great deal to the Montreal Exhibition, as it will tend to stabilize its earnings, which are more or less dependent upon returns from the baseball games.

It is expected that the financial statement of earnings from the ball games will be drawn up at the first of next month. Returns for the first fifteen games were highly satisfactory; in fact, Montreal made a better showing than any other city in the International League. Since then, paid attendance at the ball games has been well maintained and it is anticipated that the forthcoming statement will show the Montreal Exhibition Company to be in a healthy financial position.

Toronto Casualty Business Increases in First Half

Operations of the Toronto Casualty, Fire & Marine Insurance Company for the first half of 1928 were from all viewpoints the most satisfactory of any like period in the company's history. The volume of business showed an increase and operating costs were reduced, while the loss ratios were considerably lowered. Incurred losses to premiums written amounted to 45 per cent.; to earned premium 55 per cent. and to incurred expenses 42 per cent.

Total assets are up from the first of the year by over $100,000. Since the beginning of the year $90,000 has been added to premium reserve account, while claims incurred have been reduced by $114,000, as compared with the same period last year.

Traymore Building Completed at Oshawa

Building activity in Oshawa is marked. Genosha, the new hotel, is raising its steel skeleton on King St. East. This new hostelry will fill a growing need in this fast growing city that now has a population of 25,000.

The Traymore building is completed and office suites are being occupied.

Hills & Dales have acquired a large tract of property in the vicinity of General Motors Club House and will create a restricted residential district.

Inter. Harvester Expands

According to an announcement made by Mr. A. F. Bolte, Canadian sales manager for the International Harvester Co., the company is planning to erect a sales and service station for motor trucks at Edmonton next year, at a probable cost of $50,000. Accompanied by the Edmonton manager, Mr. Bolte is at present in the Peace River district securing information for further expansion in the north, when considered desirable, and looking into credit conditions.

REGENT KNITTING LETS CONTRACT FOR NEW PLANT

Will Move from Montreal to St. Jerome Before Long

From Our Own Correspondent

MONTREAL.—Contract has been let by the Regent Knitting Company for a new plant to be erected at St. Jerome. A small branch of the company is already operating at that point, but it will be extended at a cost of approximately $300,000.

When the addition has been completed, the main plant and offices at Montreal will be moved to St. Jerome. This will bring together the more important units of the Regent Knitting Mills and will result in considerable economies in manufacturing and administration costs and wages and salaries.

The lease on the Montreal property does not expire till March I next. By that time it is expected that the new plant will be fully completed and ready to receive the machinery, executive offices, etc., from Montreal.

Current Business Good

So far this year the company has been experiencing a good volume of business. For the first three months earnings of between $3.50 and $4, after depreciation, were reported on the common stock by the management. In the second quarter, earnings were equally as good, and it is expected that the full year's report will come up to expectations.

For the past three years the earnings of Regent Knitting Mills have shown a steady increase. For the calendar year 1925, before bond interest, but after depreciation, net earnings of $142,484 were shown. The following year, on the same basis, earnings had increased to $175,774. A further advance was recorded last year to $212,486.

Refinancing was carried out by the company early this year. The capital set up now consists of $551,800 in bonds, 16,000 shares of preferred stock of a par value of $25 each and 65,000 shares of no par common stock. The common was offered at $28 a share.

CAN. WEST LUMBER CO. SALES INCREASE

Company's Earnings Warrant Payment of Debenture Arrears

The Canadian Western Lumber Co. reports considerably better business for the five months ended June 30th last, compared with same period of 1927, when sales showed a falling off from previous year. Month by month comparisons follow:

	Feet 1928	Feet 1927	Feet Increase
January	8,161,734	6,756,265	1,405,469
February	9,993,715	7,524,553	2,469,162
March	11,487,002	11,475,424	11,578
April	11,351,126	8,551,908	2,799,218
May	16,117,000	14,550,615	1,566,385

Although the sales of lumber and the prices realized showed a decrease in 1927 as compared with 1926, the Canadian Western Lumber Company was able to show substantial profits, and it is gratifying to report that not only was the company able to provide the current interest on the 5 per cent. first mortgage debenture stock and 5 per cent. cumulative income debenture stock, but was also able to provide 5½ per cent. in cash towards payment of arrears of interest on the latter debenture.

PROVINCIAL BONDS ARE WELL RECEIVED

Ontario Coupon Bonds Offer Wide Choice of Maturity

McLeod, Young, Weir & Co. are offering this week a substantial sized block of Province of Ontario 4 per cent. coupon bearer gold bonds, dated May 15th, 1928, and due serially in from six to 39 years.

The bonds are offered in odd amount maturities, from $91,000 of the 1857 variety to $695,000 of the 1866, with various size blocks in the other different maturities. All are sold at a price to yield 4.50 per cent. to maturity.

Particulars of the issue are as follows:

PROVINCE OF ONTARIO
4% Non-Callable Coupon Bearer Gold Bonds
Denomination: $1,000

Dated May 15, 1928. Due annually, 1934-1967.

Maturities—	
$123,000	due 15th May, 1934
$198,000	due 15th May, 1935
$215,000	due 15th May, 1936
$222,000	due 15th May, 1937
$172,000	due 15th May, 1938
$270,000	due 15th May, 1939
$107,000	due 15th May, 1940
$274,000	due 15th May, 1944
$300,000	due 15th May, 1945
$309,000	due 15th May, 1946
$358,000	due 15th May, 1947
$325,000	due 15th May, 1948
$370,000	due 15th May, 1949
$427,000	due 15th May, 1950
$387,000	due 15th May, 1951
$402,000	due 15th May, 1952
$436,000	due 15th May, 1953
$470,000	due 15th May, 1954
$471,000	due 15th May, 1955
$441,000	due 15th May, 1956
$ 91,000	due 15th May, 1957
$485,000	due 15th May, 1958
$557,000	due 15th May, 1959
$550,000	due 15th May, 1960
$394,000	due 15th May, 1961
$595,000	due 15th May, 1962
$619,000	due 15th May, 1963
$684,000	due 15th May, 1964
$669,000	due 15th May, 1965
$695,000	due 15th May, 1966
$283,000	due 15th May, 1967

Security—These bonds and the interest thereon are a direct and primary obligation of the Province of Ontario and a charge upon the Consolidated Revenue Fund of the Province.

Offer—By McLeod, Young, Weir & Co., of Toronto, at a price to yield 4.50 per cent. per annum to maturity.

Reinhardt's Brewery Develop New Ale

Reinhardt's Brewery, Toronto, will commence to market its products through the Ontario brewers' warehouses, within the next few days. Since the reorganization of last April sales have been handled from the brewery direct, and for that reason have not been very large. Now that the new management have completed their reorganization plans an effort will be made to materially increase the sales. The company has developed a new ale which they will market under the name of Gold Crest. This, along with the fact that they are placing the product in the warehouses, the management expects, will account for a large increase in sales.

Population Increases

Greater Vancouver shows an increase in population during 1927 from 317,185 to 344,160, a gain of nearly eight per cent. The population of Vancouver proper is 191,360, while that of South Vancouver is 41,210. After amalgamation of the city with Point Grey and South Vancouver, which will take place at the end of this year, the population of the city proper will be 277,680.

A SOUND REALTY BOND

Attractive and Well-Secured

DOMINION SQUARE CORPORATION 6% BONDS are secured by a First (closed) Mortgage on the ten story Dominion Square Building and on the entire City Block which it will occupy in the centre of Montreal's uptown shopping district. This block embraces the area bounded by St. Catherine and Peel Streets, Metcalfe Street and Dominion Square. Experts in realty values consider the property to be unexcelled in Canada as the site for a general-commercial and office building. The actual cash investment in the land and building, the completion of which is guaranteed by the U. S. Realty & Improvement Company, will not be less than $7,750,000. The principal amount of the Bond Issue is $5,000,000. Due 1948. Payable throughout Canada and in New York. *Price:* 100.00 to yield 6%.

Offered subject to prior sale and change in price. Complete information will be provided on request.

The National City Company
Limited
Head Office—St. James and St. Peter Streets—Montreal
10 King Street East TORONTO
204 Blackburn Building OTTAWA
71 St. Peter Street QUEBEC
326

PROVINCE OF ONTARIO
4% Gold Bonds
PRICE — Rate and Accrued Interest to yield 4½%
Maturities — 1934-67 Denominations $1000
MATTHEWS & COMPANY
Limited
INVESTMENT BANKERS
255 Bay Street ELgin—5192 Toronto 2

Massey-Harris Company, Limited

Twenty-Year 5% Sinking Fund Gold Bonds

Due October 15th, 1947. Principal and half-yearly interest (April 15th and October 15th) payable at any branch in Canada of the Canadian Bank of Commerce (except in Yukon Territory), New York and London, England, at the fixed rate of $4.86 2/3 to £1. Denominations, $1,000 and $500, registerable as to principal only, or fully registered bonds in denomination of $1,000; interchangeable.

Price: 98 and accrued interest, yielding 5.16%.

Fully descriptive circular furnished upon request.

36 King Street West
Toronto
Telephone: Elgin 4321

Wood, Gundy & Co.
Limited

International Paper Builds New Kraft Mill

From Our Own Correspondent

MONTREAL. — International Paper Company has commenced construction of a kraft pulp and paper mill at Mobile, Alabama, which is located on Mobile Bay, an arm of the Gulf of Mexico. The new mill will have a daily capacity of about 170 tons of kraft paper and will be the first pulp and paper mill in Alabama. The site of the mill is thirty-five miles northeast of Moss Point, Mississippi, where the company recently acquired a modern kraft paper mill of a daily capacity of 100 tons of kraft paper.

With the completion of the Mobile mill, the company will have five modern kraft paper mills in the southern United States of a capacity of about 700 tons of kraft paper a day. The company is already the largest producer of kraft paper in the world.

Rubber Exports Fall as Open Market Comes

MONTREAL. — Exports of Canadian rubber goods last month show a falling off in value as compared with the figures for the corresponding month of last year. This was due in some measure to the establishing of an open market for the price of raw rubber, but it is noticeable that the quantity exports for a number of items are lower than in June, 1927.

The total value of all rubber goods shipments from Canada in June last was $2,570,152. This compares with $3,140,167 in the same month a year ago. As compared with May last there was an appreciable increase.

Examination of the returns for June show that the export values of bicycle tires, canvas shoes, "other" products, and insulated wire and cable, were greater than in the same month of 1927, while solid tires, tire casings, inner tubes, belting, boots and shoes, hose and rubber clothing, registered a decrease.

Start New Plant

Valentine Quinn has announced that work will commence at New Westminster on the construction of a two million dollar cold storage warehouse.

August Dividend Payments

Summary of Payments

Dividends	$ 5,765,342
Bond Interest	11,466,198
Total	$17,231,540

Dividend Payments

Company	Rate	Date	Amount
Amer. Salesbook, pref.	1¾q	1	$ 53,782
Blue Ribbon, pref.	1⅝q	1	16,250
B. C. Pulp, pref.	1¾q	1	9,733
Belding Corticelli, com.	3½s.	1	26,232
Brewers & Distil., c.v.t.	5c.	1	244,926
Can. Bronze, com.	$1q	1	40,000
Do., pref.	$1.75q	1	21,875
Can. Dredge, pref.	1¾q	1	26,250
Can. Converters	1¾q	15	30,335
Chase, A. W., pref.	2q	10	19,356
Christie Brown, c.	30c.q	1	31,500
Can. Foundries, pfd.	x1½q	1	14,400
Cosmos Imp., pref.	1¾q	15	26,124
Can. Vickers, pref.	1¾q	1	29,750
Canadian Oil, com.	25c.q	15	24,000
Dom. Bridge	65c.q	15	211,250
Enamel & Heat. Prod.	50c.q	1	14,500
Foreign Pr. Secs., pfd.	1½q	15	37,500
Granby Cons.	$1q	1	346,223
Gen. Steel Wares, pref.	1¾q	1	78,750
Hamilton Bridge, 1st pf.	1⅝q	1	36,562
Hollinger Mines	2	11	492,000
Hmberstone Shoe, c.	50c.q	1	5,000
Do., pref.	2q	1	6,000
Imperial Bank	3q	1	210,000
Int. Nickel, pref.	1½q	1	133,683
Inter. Paper, com.	60c.q	15	600,000
Inter. Utiliites, pref.	1¾q	1	65,947
Kelvinator, pref.	1¾q	15	13,798
Manitoba Power	$1s	1	100,000
Massey Harris, pref.	1¾q	15	211,572
Mortgage Corp. of N.S.	1½q	..	10,200
Mercury Mills, pfd.	1½q	1	13,500
Nat. Brick, pref.	1½q	15	50,094
Ont. Steel, com.	40c.q	15	12,000
Do., pref.	1¾q	15	13,125
Pelissiers, pref.	1¾q	1	7,875
Penmans, com.	$1q	15	64,518
Do., pref.	1½q	1	16,125
Pure Food, 1st pfd.	1¾q	1	2,625
Do., 2nd pfd.	1¾q	1	3,500
Russell Motor, com.	2s.	1	16,000
Do., pref.	1¾q	1	21,000
Southern Can. Pr., c.	$1q	15	72,000
Stanfords, 1st&2nd pfd.	1¾q	1	12,250
Standard Paving	37½c.q	15	22,781
Standard Bank	3q	1	144,702
St. Law. Flour, pfd.	1¾q	1	10,062
Steel of Can., com.	1¾q	1	201,250
Do., pref.	1¾q	1	113,684
Teck Hughes	10+20c.	1	1,427,130
Waterloo Mfg.	35c.	1	15,000
Western Trust	2s.	1	20,100
Weston, Geo., pref.	1¾q	1	8,750
Wood, Alex. & James, 1st pfd.	1¾q	1	11,375
Winnipeg Elec. com.	$1s.	1	149,798
Wright Hargreaves	2½c.q	1	137,500
Zimmerknit, pref.	1¾q	1	10,500
Total			$ 5,765,342

x—On arrears.
q—Quarterly.
s—Half-yearly.

Bond Interest Due in August

Company	Int. Rate	Date	Due	Amount
Abitibi Power	6	1	Serial	$ 61,845
Anticosti	6½	15	1941	195,000
Atlantic Und'wear	6½	1	1944	3,057
A. P. W. Pulp	7	1	1945	28,000
Bishop Realty	7	1	1947	10,500
Bloor St. Geo. Rty.	7	15	1946	17,671
Canada Bread	6	1	1941	30,744
Can. Foundries	6	2	1942	6,717
Can. Machinery	6	1	1940	5,661
Can. Steamships	5	15	1943	105,702
Clyde & Sissiboo P.	6½	1	1943	16,250
Carleton & Chas T	7	2	Serial	231,000
Continental P. 'A'	6½	1	1943	20,848
Dom. Telegraph S.	5½	2	1978	27,500
Drummond Realty	6½	1	1942	19,500
Geo'town C. Paper	6½	1	1947	6,500
Holt Renfrew	6½	1	1937	17,968
Interlake Tissue	6	1	1935	8,010
Lincoln Pulp	7½	1	1942	36,300
Lo'er St. Law. Pr.	7	1	1947	26,250
L. St. John Pr.	6½	1	1947	162,500
Do., mtge. debs.	6½	1	1942	97,500
Lyall Construction	6	1	1932	13,902
Maple Leaf Mill.	6½	1	1943	59,930
Mexican L. & Pr.	5	1	1940	283,512
Mountain V. Apts.	7	1	1946	10,500
Mont. R. & W. T.	6½	1	1951	97,500
National Grocers	6½	15	1932	60,547
Ott. & Hull Pr.	6	1	1948	75,000
Ouellette Apts.	7	22	Serial	1,487
Pacific Mills	6	1	Serial	86,745
Price Bros.	6	1	1943	439,350
P. of Wales Apts.	7	9	Serial	1,400
Rogers, Wm. A.	6	1	Serial	6,750
St. Maur. Power	6½	1	1953	293,364
Sub. Rap. Transit.	5	1	1938	12,500
Wayagamack	6	1	1951	124,692
Wood, Alex. & Jas.	6	1	1944	12,000
Wolthausen Hat	7	1	1943	6,084
Corporation Bonds				$ 2,720,316
Municipal				x4,062,500
Provincial				x3,199,032
Dom. Loan (1926)	4½	1	1946	1,012,500
Do., (1926)†	4½	1	1930	450,000
N.Y. Loan (1915)†	5	1	1935	21,850
Total				$11,466,198

x— Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

†—Payable in Canada and New York.

THE FINANCIAL POST

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TORONTO, JULY, 27, 1928

BRICKBAT FOR INVESTORS

A RATHER peculiar deal has recently taken place in the shares of the Interprovincial Brick Company. The facts apparently are that C. G. Greenshields, a Montreal financier, recently purchased effective control of the company and has transferred the stock to the Cooksville Shale Brick Company. The Financial Post has not been able to find any evidence that when control of the company was bought any offer for the shares was made to the minority shareholders, and yet following the change of control, some of the larger minority shareholders of the company now view pessimistically the outlook for the future of their organization.

Of late years, the control of many Canadian industrials has changed hands. Canada Cement, Howard Smith Paper Mills, Rolland Paper, and Belgo Paper are some of the larger companies in which control has been purchased by new interests. It is noteworthy that in all these and in virtually all other similar transactions, the directorate has always insisted that the same offer be made to the minority as was made to the majority shareholders.

Directors are elected and are paid to safeguard the best interests of the shareholders. If the directorate allows the control of a company to change hands in what is virtually a single transaction, without insisting that the same price be offered the minority shareholders as the large shareholders are getting for their stock, it may reasonably be questioned if such a directorate is not remiss in one of its duties to shareholders.

In the Interprovincial Brick deal, obviously one or more of the directors must have parted with their holdings to the new interests endeavoring to obtain control of the organization. Obviously the minority shareholders in Interprovincial Brick, now dissatisfied with the changes in the management, can only blame their own directorate for the position in which they find themselves. Should the directors have sold out, knowing that in selling they were changing the control of the company, without insisting on all shareholders being given an opportunity to accept similar terms?

In deals of this character, though, the buyer as well as the seller, has a responsibility. The Greenshields interests purchased the control of a company in which not a few investors were dependent on the income from the "A" shares.

With the transfer of the control of Interprovincial Brick, this dividend was promptly passed. This is one of the reasons for the annoyance on the part of many of the minority shareholders.

And while one or two of the directors of Interprovincial Brick are in the last analysis, responsible for the situation, it takes two to make a deal, and one wonders if the handling of the transaction by C. G. Greenshields and his associates will not shake many investors' faith in high finance.

There was, of course, nothing illegal in the Interprovincial Brick deal. But the fact that the obligations both of buyer and seller were of an ethical rather than a legal nature should have made these responsibilities all the more binding on those who put the transaction across.

Of course, the real protection for the investor lies in investing with men who consider themselves trustees for investors, and who do not stop at strictly legal boundaries of right and wrong. Then they will be insured against such transactions as the one to which we have referred.

GETTING THERE ANYWAY

BERNARD SHAW'S newest book on socialism and capitalism is stimulating to the imagination and well worthy of reading. Yet one wishes that Shaw had done a little travelling on this continent before writing the book. His conclusion that socialism, with an equal division of the wealth of the world and equal wages to all, is our real need, sounds like the final and very weak surrender of a disappointed man to old-world circumstances. Shaw is best when he finds fault with the world and its ways and weakest when he attempts, in Wellsian fashion, to formulate the cure-all for ills that time alone will cure.

On this continent there is no clear line of demarcation between the rich and the poor; no barrier to the accumulation of wealth by any persons, except such barriers as are within the person himself. Industry and commerce here pay one man more than another because one man is a better producer than another. Merit does not go unrewarded and army or bureaucratic methods of promotion are barred in business.

The traditional policy of this continent which is to stimulate the creation of wealth and happiness by the incentive of rewards for personal achievement is a policy which has favorably affected the development of all our social economic institutions, has created higher standards of national education and health, and has practically eliminated the slums and extreme poverty.

The chief things that make our progress to the goal of a well balanced economic structure difficult are the tendency to government ownership, which robs us of the greatest spurs to achievement, and a limited degree of selfishness on the part of those who have themselves been successful and have been spoiled in the process. But we do not lie down under these difficulties. Our best business and social leaders provide the leadership in thought that will prove the best corrective.

Socialism as the stimulus to speed the millenium will prove as unavailing as "laissez faire" which would have left things as they were a hundred years ago. On this continent, it is easier for a poor boy to carve for himself a successful and happy career than for a boy starting with the handicap of inherited wealth, and so long as that remains the situation we do not have to legislate an equal distribution of wealth.

A SELF-STARTER

SPONTANEOUS combustion is beginning to make nasty black marks on the debit side of our fire prevention ledger. Last year the fire loss from this cause, in Ontario alone was almost $1,000,000, it being the most important known cause of fire loss in the province. This week, Fire Commissioner Brace of Alberta, says, "It is becoming a big factor in the serious problem of fire waste that is sapping our national prosperity." He attributes its rapid spread in that province to the increased production of hay, green-feed and storage of roots.

In the United States the annual loss from spontaneous combustion is estimated at $60,000,000. In the flooded area of Vermont last year, fires actually occurred in barns that were standing in three feet of water. As a result of investigations carried on there, a new impetus has been given to a study of the subject and the United States Department of Agriculture has come to the conclusion that: "The urgent need for extensive research upon the problem of the spontaneous heating of farm products is emphasized by the lack of scientific knowledge with which to meet the situation."

This is fundamental, and indicates that the real problem of combustion of farm products has yet to be faced in the laboratories and research institutions. However, it would seem that a large proportion of such fires are due to carelessness in not allowing proper time to elapse in curing the hay, on account of poor ventilation, or in neglecting to salt the hay as it is stored away.

If more publicity and attention were given to simple rules such as these, our fire loss from this cause could be materially reduced, whilst we are waiting for science to offer the perfect solution to this fire hazard.

FAIR TRADE TREATIES

OUR Minister of Finance is in Ireland to discuss a reciprocal trade treaty. He begins with a handicap, a handicap that is probably much less in the case of Ireland than other European countries. On the Continent they prepare for reciprocal trade treaties by first jumping their tariffs 50 to 100 per cent. This enables them to give an apparently big cut. Then we have to face the fact that they—including the English and Scotch—are first class traders. They call it diplomacy. In this country we would be inclined to call it slickness. Their agreements are full of "trick" words and phrases, always to their advantage and to our disadvantage. When the agreements go into operation we find they are not what we expect at all. We keep the letter and spirit of our agreements. They do neither if it is not to their advantage. If they cannot beat us one way, they try another. One country made a very generous deal with us to accept one of our most important natural products and under the agreement a good trade for Canada was developing. Suddenly, the nation in question decided that the product in question must contain a small percentage of something else not obtainable in Canada but obtainable in one of that country's colonies.

When we make trade treaties, and we should make them, they should not be made on the basis of an excessive tariff in one country and a low tariff in the other, but on an equable basis, and we should watch for the trick words in agreements submitted by the other party.

Finally, no treaty should be made until all Canadian interests which might be involved are consulted.

BEST LEFT ALONE

IN THE United States there is a very definite trend in the direction of governmental control of investment trusts. No less than six states have either investigated investment trusts or have introduced legislation that will place them under state supervision or examination. It is now being accepted by American financial men that investment trusts will not be permitted to operate without some sort of supervision by the individual states and possibly by the Federal Government.

Already there are about 150 investment trusts in operation in the United States, practically all of them organized within the past two years, and they have close to one billion dollars of capital invested in their securities. Such rapid growth can never be achieved without the introduction of dangerous practices. Impending troubles of some of these trusts are causing worry to governmental officials, who feel a certain measure of responsibility for the safety of the public's investments, and to the managers of the soundly organized and well managed trusts. It is not surprising, then, that a demand for public regulations should have grown up.

Canada has not proceeded so far as the United States in the development of the investment trust idea but there are, nevertheless, in this country a dozen or more investment trusts organized on different lines and operating on every basis from thinly disguised stock promotion to the efficient manner of conduct of the long established success, British investment trusts.

Canada, in dealing with investment trusts, will be wise to follow the British practice of leaving them free from governmental regulations, making the important factor that of management. Canada and the provinces should not be stampeded by the tendency across the line into building up a cumbersome set of governmental regulations.

Investment trusts in Canada will develop sound policies only from practical experience. During the period of trial and error there will no doubt be losses for investors, but the same thing applies to industrial companies and other organizations. Of course, the losses will be confined to badly organized or inadequately managed companies.

There is public regulation of insurance companies, trust companies and mortgage companies in Canada and there is a governmental measure of control over the banks but this public control is in the interests of depositors, policy holders, and others who do business with these organizations. The regulations are not instituted primarily for the purpose of protecting the shareholders of these enterprises. No one need become a shareholder of an insurance company, a mortgage company, a trust company or a bank unless he wishes to do so and he is not likely to become a shareholder except after extensive investigation. Likewise no one need become a shareholder in an investment trust unless he definitely wishes to.

It might be argued that protection should be given to bond and debenture holders of investment trusts, but here trust deeds are drawn-up and the investor knows the terms upon which his money is to be invested and the degree of protection to be given to him and he does not need the further protection of the government.

When the government steps into the investment trust business to establish arbitrary rules for the investment of funds, the handling of money and so on, it is certain to restrict the development of these worth-while financial units. As a matter of fact, all that any government could do would be to assure itself that all promises made in offerings of investment trusts were within the facts and that balance sheets were drawn up accurately. The present security and fraud laws give all the scope that is required for this degree of investigation and regulation.

In one respect, the governments may fairly act. Charters should not be issued to any further investment trusts where the firm name incorporates the word trust. Trust companies in Canada are under provincial and federal regulation and the words "trust company" have a significance that they have not in England, where a trust company, in the minds of the public, is considered as an investment trust. It is well that the public should not be confused between the ordinary trust company and the investment trust, and the way to avoid this is to restrict the use of the word "trust" to trust companies under public supervision.

Beyond this it is best to leave the development of the investment trust to the practical experience of investment trust managers in Canada.

IT DOES NOT PAY

A MEMBER of The Financial Post organization now making certain investigations in Europe, writing from Paris says business is not good there; that the Americans who are credited with spending $750,000,000 annually in Europe have cut down their expenditures very materially. They have been buying less, our representative writes, because the French have put prices too high, unjustifiably high.

There is a lesson in this for Canadians. Too many of our merchants and manufacturers take advantage of situations and conditions to jack prices up unnecessarily. A few of them, unfortunately, aim to increase their profits by reducing the quality. This is sometimes one of the outcomes of amalgamations and promotions. Over-capitalization must earn dividends and dividends are secured at the expense of quality and higher prices. Both are bound to react on the producer and finally the investor. When quality, price or both are not satisfactory, buyers will go elsewhere.

Straw hats also often show which way the wind blows.

* * *

A world of hatless males will make a lot of mad hatters.

* * *

There are more potential business leaders among bare-foot boys than among bare-headed youths.

* * *

A Toronto business house has just received an appeal from a football association in a small Ontario city for a contribution to their annual field day. The Toronto firm has no branches in the smaller centre and is no more interested in the community than thousands of other houses doing a national business. An increasing number of such malapert requests for funds for organizations that should either finance themselves or be financed within a narrow circle of interested persons are found in the morning mail of every large business house.

POST-scripts

WE WELCOME American tourists in Canada but sometimes we sympathize with restaurant and hotel proprietors, railway folk, merchants and others who deal with them because it must be admitted that there is an appalling ignorance among Americans as to currency, customs and geography of Canada. Probably this ignorance is no more abysmal than the ignorance of the average Canadian traveller in, say, France or Germany, but it is nevertheless in strange contrast to the knowledge Canadians have of things as they are south of our country.

The clerk in the news stand at Windsor station, Montreal, who spent several minutes trying to convince a man—we know he was an American tourist because he had golf trousers on at eight o'clock in the morning and was wearing no hat—that the large Canadian copper is not a two cent coin, was not annoyed; to us, he merely looked tired.

And we can recall getting on a street car in Detroit with nothing but Canadian money in our pocket and being put off by a conductor who refused our successive bids of Canadian money, even turning down our final offer of 50 cents in Canadian money for a ride. It was Sunday morning and we feared there would be no shops or restaurants open in the neighborhood where we could have changed the money. Incidentally we got the ride free by getting on one car after another and arguing with each conductor for as many blocks as he would permit until the last one finally put us off right where we wanted to go. And yet Detroit is so close to Canada that a cargo of beer can be shipped from this country to that big city in about ten minutes.

AS AN investor, have you ever attended a shareholders' picnic? Probably not; shareholders' picnics are not considered a justifiable charge upon company funds.

There is a Canadian mine with head office in Buffalo, headed by a man who also is operating a real estate promotion on the Canadian side of the Niagara River. Shareholders in the mine recently received an invitation to the annual shareholders' picnic and by the strangest possible coincidence the picnic was held at the very spot where the head of the company was trying to sell lots.

Next!

THERE is a mine in Northern Ontario which is not active. The only person at the property is one lone watchman. Some time ago the watchman quit his job and was replaced by a burly 225-pound woodsman who would have made two of the former watchman.

Some wag in the north sent word to a Toronto broker that the XYZ Mining Company had strengthened its staff at the property which looked significant. The broker, innocently spread the news, and XYZ stock—it was listed—had a little flurry on the board.

Most of the tips from the north spread around the street probably have about an equal amount of sense in them.

THE statistician for a Canadian financial house was recently sent to England to make some studies for his firm. He took with him some interesting material on Canadian and American securities to show to British directors. One chart in particular represented a great deal of work and was an excellent presentation of the whole story of three great companies. The statistician showed it proudly to one financial leader in "the city." The latter stared at it for a minute and said: "My word, what a lot of work!" He did not attempt to study it. It meant nothing to him.

The Canadian explains the Englishman's apathy towards charts by pointing out that all British business and finance centres in London. The British financial man is able to get all the information he wants in conversation with other men in his own city. On this continent, where industrial and financial control is more decentralized, what would be the subject of a personal conversation in Britain has to be put in statistical or chart form to make it as simple as word of mouth would make it.

"Stop Me If You've Heard This One"

The old general was walking down the street when he was stopped by a beggar.

"Don't refuse a trifle," said the latter. "I'm an old soldier."

"An old soldier, eh?" replied the general. "Then I'll give you a test. Shun. Eyes right. Eyes front. Stand at ease. Now, what comes next?"

"Present alms," retorted the beggar.

Allow for Changing Prices In Judging Business Progress

Plant Built at High Prices Will Have Difficulty Show High Ratio of Sales to Cost

By NOEL M. BASSIN, B.Sc. (Edin.), A.M.I.C.E., Director, Industrial Engineering Corporation

Noel M. Bassin

One of the recognized methods of judging the progress or development of a business is that of observing the trend of the ratio of gross or net revenue to capital invested in fixed assets. If this ratio shows an increase, satisfaction will probably be felt at the results attained and at the improvement which is apparent in the earning power of the invested funds. There is, however, a possibility of misunderstanding in the use of such a ratio, or, in fact, in using comparative figures of any sort, and that is whether the figures which are being compared are actually so compiled as to be truly comparable.

A company has an investment, let us say, of $100,000 in fixed assets, and its sales for the year 1927 were $3,000,000. The bulk of the fixed assets were purchased in 1913, during which year the sales recorded were $2,500,000. If the progress of the company is being measured by the ratio of sales to investment in fixed assets, this ratio on the basis of the above figures will be 25 for the year 1913 and 30 for the year 1927, thus indicating an appreciable improvement in the sales turnover from this point of view.

Purchasing Power of Dollar

The factor that has been overlooked in this comparison is the relative purchasing power or value of the dollar. A dollar of sales in 1913 is not the same as a dollar of sales in 1927. In the intervening period there has been considerable fluctuation in the prices of commodities, as can be seen from a study of the price index numbers published by the Dominion Bureau of Statistics. With an average wholesale price index of about 150 for 1927, as compared with that of 100 for 1913, a dollar of sales in the latter year will correspond to one-and-a-half dollars of sales in the former year. That is to say, the 1927 sales, adjusted for comparison with the 1913 figures to allow for variation in commodity prices, would be only $2,000,000. The ratio of sales to investment in fixed assets would then be 20 for 1927, indicating an earning power situation less satisfactory than that in 1913.

Discrepancies in comparative figures, such as pointed out above, do not occur to any serious extent during normal times, when there is little or no fluctuation in commodity prices, but in times of varying price levels a misunderstanding of the true condition of a business may easily arise by omitting to take this factor into consideration. Sales may be increasing in nominal amount, but if commodity prices are increasing more or less in proportion thereto, the business instead of undergoing what may be considered a natural expansion, is more likely to be in a stationary or retrograde condition so far as the return being earned on property investment is concerned.

Expanding in Depression

It will be realized from the foregoing that when plant extensions and additions are made during times of high price levels a heavier burden is put on the business to maintain the ratio of sales turnover or earnings in relation to property investment than would be the case when such capital expenditures are made when levels are lower. This is one of the reasons pointing to the economic advantage of carrying out plant reorganizations in periods of depression, as not only can such changes be more conveniently given effect to when production requirements are relaxed, and in anticipation of increased activity at a later date, but also there is a distinct gain from the standpoint of earning capacity in keeping the amount of invested capital at a minimum.

The inclusion of excessive values for fixed assets in connection with consolidations or mergers, particularly when price index numbers are high, has imposed a burdensome handicap in not a few cases on the new companies. This handicap arises from the fact that many of the advantages available from consolidation are offset on account of overcapitalization and the necessity for maintaining and increasing the ratio of earnings to investment in fixed assets, as compared with the consolidated figures of the constituent companies before the merger has taken place.

In modern business management, it is not sufficient to gauge the state of a business from the results as ordinarily reflected in the accounts; it is of vital importance also to watch the inter-relation between fixed capital investment, sales and commodity price levels, and in conjunction with these to have an adequate system of control over costs and profits.

Farming Is Not "Big Corporation Stuff"

In Which Another Editor Disagrees With The Post's Recent Editorial—From the Owen Sound Sun-Times.

An editorial in a recent issue in The Financial Post, of Toronto, visualizes the commercialism of the business of agriculture and the development of mechanical farming to the point where capital and machinery will supplant man-power, and make the human drift away from the negligible.

A plan of this kind might be possible in a highly concentrated community. It might be that business genius and mechanical advancement would in certain countries, oust the small farmers and concentrate the business of supplying food stuffs to the world in the hands of a small number of large corporations, whose shares would be bought and sold on the stock market like any other industrial issues.

However, conditions in a new country like Canada are not favorable for such a plan, and this is borne out by past experience. Specialized, individual effort seems to be the tendency of modern agriculture. Experience in Canada has been altogether against the large and extensively cultivated farm. When the wheat bonanza of the west was in its infancy, there were many experiments made in the large farms, but in most instances they were unsuccessful.

In a new country like Canada where the population is constantly pressing forward into the margin of undeveloped fringe just beyond the cultivated areas, there would be not the slightest temptation for any large company to take hold of huge areas of virgin lands and do the spade-work necessary to bring it into cultivation. This pioneer work is essentially the task of the individual pioneer. It is this pioneer, not the big company, upon whom we have to depend for the development of our agricultural resources.

Whether the vision of The Financial Post of the gradual dispossession of those pioneers by the mechanical organizations of huge financial organizations of huge financial corporations will ever come to pass is doubtful. The experience of the past, even in the most highly specialized farming countries is against it.

The Financial Post asks that the average large farmer should be given a selection of milking machines, tractors, cultivators, engines and agricultural automata. He will then become, no longer a farmer, but an industrial executive. It seems to be the idea to get the farming nearer to mechanical perfection and farther away from the original peasantry. Consolidation is to be the next movement in agriculture, according to The Financial Post, and the farmer will be a creature, no longer attached to the soil, but moving in the courts of high finance.

This is a dream which, if it were capable of realization, might be the worst thing which ever happened to any country. Take away attachment to the soil, abolish the class which takes pride in land ownership, substitute for him the stockholder, whose clamor for dividends is his only connection with agriculture and you will be preparing for the downfall of the community.

Other People's Views

A Shallow Socialist

Barron's, New York: Without prejudice to anything which makes a necessary point, these notes are not commonly used for literary discussion or criticism. George Bernard Shaw, however, asks to be accepted as an economist with definite socialist convictions, so far as he may be said to have any convictions. A New York minister of religion, whose efforts at self-advertising will not be supplemented here, accepts Mr. Shaw's views on the future of the human race with a thoroughness which he apparently does not extend to the Sermon on the Mount. Shaw recently wrote a book, addressed to women, on the subject of Socialism and its remedies for evils which something called "Capitalism" had failed to cure.

Stripped of a somewhat facile wit and the literary ease which come from much writing, Shaw's theory boils down to a universal division of income. He does not say where the income is to be derived without capital or even without production. He thinks everybody should have the same income and desire the same thing,—man, woman and child, the halt, the maimed and the blind, black and white, red and yellow, without distinction of ability, industry or moral qualities. There is one point on which all Socialists agree, startling as the statement may seem. It is in an utterly illogical conviction that there will always be a sufficient number of rich people left to pay the bill for mistakes and a sufficient number of industrious people to carry the eloquent shirkers.

It goes without saying that in the world there never was and never can be any such equality. Even if it were theoretically possible to give mankind equality of opportunity, that equality would be differently improved and even differently neglected in every single instance. Men's needs are not all the same, nor can they ever be the same outside of an artificial and compulsory condition, as, for instance, that of prisoners in jail. To an observer who knows nothing about them, all sheep look alike. But the shepherd knows every single one of them apart. To the civilian a company of soldiers looks like the same man a hundred times repeated. But if the officer commanding knows his business, he knows every one of those men by name and character. If that is true of a regimentation which ought to appeal to the heart of the Socialist, what must the differences be among free men exercising liberty within the law?

A Leading Industry

Editor and Publisher: There has been considerable comment recently on the fact that finance has turned a favorable eye on the publishing field. But publishing now ranks as the tenth American industry in point of value of products or service, the eleventh industry in point of investment and the twelfth industry in point of number of employees. It has become a profitable business by reason of the skill and enterprise of its votaries and its amazing appeal, in all conceivable forms, to every literate member of society. It has become a safe business because it has accepted the principle of organization and has subscribed to rational and orderly methods.

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Legal opinion of E. G. Long, Esq., K.C.

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Background of Business

Weekly Review of Canadian Conditions

CONDUCTED BY JOHN E. LANGDON

Productive Activity in All Lines Well Maintained
Manufacturing Likely to Establish New Records
Building Permit Values Well Ahead of Last Year
Crop Outlook Has Good Influence on Trade Demands
Merchandise Distribution Continues Above Normal

PRODUCTIVE activity in general continues to be well maintained, but there appears to be a fair amount of irregularity between industries. This is more than mere seasonal changes although it cannot be described as indicating any recession in industry as a whole.

It will be recalled that the volume of manufactures in May was the greatest for any one month on record since 1920. Returns for June are expected to show that this excellent performance was exceeded in June. So far this month increased activity is noticeable in a number of key industries.

The automobile production figures for June will be made public within a short time. Whether the May output of 33,924 units will be exceeded is somewhat problematical. Nevertheless a good showing is expected. It is still possible that the number of automobiles produced in Canada this year may reach new high levels, both for passenger and trucks. While production in January, February and March was lower than in the same period last year, April and May figures largely offset the decline.

Iron and Steel Favorable

In line with the increased activities in the automobile industry, reports of the iron and steel industry are equally favorable. Production for the first half of the year was higher than that recorded for any six months period in some years. Furthermore, the usual summer dullness is not so marked this year; in fact, many of the large users of iron and steel are exceptionally busy right now.

This applies particularly to those lines of industry allied to the construction industry, such as structural steel, lumbering, paint, brick and tile, etc. So far construction contracts awarded are far ahead of last year in point of value. If the increases recorded in the first six months are maintained during the balance of the year, the final figures will likely set a new high record.

Building Values High

The value of building permits issued by the principal cities throughout the Dominion during June was $22,628,907. This was a seasonal decline of 17.7 per cent. from the May total, while in the more significant comparison with June, 1927, there was an increase of 23.2 per cent.

The aggregate for the first half of 1928 also exceeded that for the first half of any other year on record; with a total of $101,606,198, it was 25.7 per cent. higher than in the first half of last year, the previous high level. With the exception of New Brunswick all the provinces show an increase in value of building permits issued this year.

All this greater productive activity has had a marked influence on the volume of employment and wages. The records for the first five months of 1928 indicate that more men are employed than for many years past; in fact the index at the beginning of June was at a point comparable to last year's peak month reached at harvest time.

Labor Situation Good

The voluntary labor turnover also indicates that there is a greater demand for labor. The employment situation will be further strengthened next month by the demand for farm laborers. It is estimated that at least 75,000 men will be needed to garner Western Canada's crops this year. It is doubtful if the "floating" supply will be sufficient to take care of this demand. In that event higher wages should be paid to farm hands this year.

There has been relatively little change in wages paid this year. Labor troubles also have been limited. The amount of money put into circulation through wages and salaries this year has been above the average of the past few years. This has meant a stabilization of purchasing power which has been one of the principal factors in the maintenance of activity.

Unless some unexpected calamity happens, harvesting of the grain crop will commence early next month. This is from two to three weeks earlier than last year. Growing conditions have been exceptionally good in Western Canada this year and the general belief is that the yield will be far in excess of any previously reported. Last year the wheat crop amounted to approximately 425,000,000 bushels. Already estimates of 500,000,000 bushels have been made for this year, and it would not be surprising if this figure was reached in view of current conditions.

Other phases of farming have fared equally well and many new agricultural records should be established this year. Furthermore financial returns will likely be on as good a level as last year; in fact, even higher owing to the superior quality of the crops. This will mean the putting into circulation of over a billion dollars from the Western provinces alone.

Good Volume of Trade

This optimistic outlook has had a good effect on both wholesale and retail trade. The distribution of merchandise this year has been on a wider scale than that prevailing last year, which in turn was one of the best experienced by Canada in the past decade. Orders are being placed by wholesalers with confidence. The promise of an abundant crop and higher revenues assure a good buying power this fall and winter.

A seasonal slowness is reported by retailers at the moment, but generally speaking the turnover of merchandise this year has been well up to expectations. The demand for dry goods, clothing, footwear, furnishings, hardware, etc., has been exceptionally good and prospects are for a heavy demand in the next four or five months. Inventories have been kept low and new orders being placed are for larger quantities than has been customary.

Freight Reflects Activity

The volume of freight car loadings continue to reflect the general business activity. For the week ended July 14, 69,047 cars were loaded on Canadian lines. This compares with 60,160 in the previous week and with 63,445 in the same period of 1927. Cumulative loadings for the current year now amount to 1,794,269, as compared with 1,694,122 and 1,604,729 in the corresponding periods of 1927 and 1926, respectively.

Analysis of the loadings for this year, as compared with 1927, show that grain and grain products, live stock, coke, pulp and paper, "other" forest products, ore, merchandise and miscellaneous freight loadings are on the increase. On the other hand coal, lumber and pulpwood show a decrease. The three latter items are likely to show a swing over to the other side before the year is out, especially coal which has not been moving in any larger quantities to date.

Saskatchewan Wheat Crop in Good Condition

From Our Own Correspondent

REGINA.—According to telegraphic reports received over the week-end by the Statistics Branch of the Department of Agriculture, the wheat crop on the whole is in good condition while coarse grains are coming along nicely. Some unevenness, however, is still evident and some areas report stubble and late sown crops weedy. Hail has caused severe damage in certain localities, chiefly in southern portion of the province, but the areas affected appear for the most part to be comparatively small and scattered. With the exception of some reports of root rot, the crop on the whole is remarkably free from disease, practically no rust being reported. Fall rye cutting is expected to start about August 1st, but the crop is only fair, being generally reported thin. The weather has been warm with frequent heavy showers although in a few districts more rain would benefit the filling crop. Livestock and pastures are in good condition.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
		Weekly		
Car Loadings (July 7)	60,248	61,510	1,725,316	1,630,677
Stock Index	397.3	174.0	......	......
(Traders July 12)				
C.P.R. Gross Earnings (July 21)	$ 4,015,000	$ 3,621,000	$ 106,811,000	$ 96,696,000
C.N.R. Gross Earnings (July 14)	$ 5,240,498	$ 4,646,569	$ 133,252,880	$ 123,547,855
Production		Monthly		
Pig Iron, tons (June)	97,379	69,437	468,013	403,713
Steel, tons (June)	116,530	59,940	648,338	487,310
Newsprint, cwt., (June)	192,391	170,379	1,163,366	996,462
Automobiles (May)	33,942	25,708	96,589	107,600
Boots and shoes, pr. (May)	1,504,102	1,480,003	7,680,685	7,372,268
Flour, bbls, (April)	1,304,000	1,154,000	5,964,000	5,335,000
Construction—				
Building Permits (June)	$ 22,628,907	$ 18,363,239	$ 101,606,198	$ 80,842,719
Contracts (June)	59,926,100	52,228,600	256,257,300	191,323,800
Labor—				
Employment Index (June)	122.4	107.2	....	....
Trade (May)				
Imports	$ 113,582,238	$ 94,412,439	$ 478,040,707	$ 432,839,535
Exports	$ 118,021,324	$ 108,782,591	$ 455,100,878	$ 454,853,961
Imports of Key Products—(May)				
Rubber, lbs.	4,883,395	5,644,000	26,767,610	27,652,355
Cotton	6,909,980	10,129,000	57,701,817	54,822,207
Sugar, cwt.	1,055,698	1,058,416	3,551,477	....
Petroleum, gal.	16,919,840	49,049,108	229,977,555	....
Coal tons	1,332,833	1,471,836	8,069,938	....
Exports of Key Products—(May)				
Newsprint, cwt.	3,885,959	2,998,475	17,826,996	....
Automobiles, No.	4,511	3,901	15,924	....
Wheat, bush. (June)	21,959,638	15,863,044	112,829,833	105,130,539
Wheat flour, bbls.	716,013	846,700	4,887,235	4,617,670
Electric Power—Output—				
M. Kilowatt hours (May)	1,271,021	1,115,602	6,459,275	5,572,393
Population—				
Emigration (May)	4,498	5,259	23,700	26,775
Immigration (Apr.)	26,983	35,441	49,652	65,397
Finance—				
Failures, No. (May)	146	127	830	752
Failures, Liabilities (May)	$ 2,237,821	$ 2,235,675	$ 11,890,490	$ 11,920,951
Bank Debits (May)	$4,230,509,600	$2,986,235,659	$17,245,088,401	$13,138,481,853
Bond Sales (June)	$ 74,253,686	$ 79,686,404	$ 284,125,346	$ 251,982,268
Insurance Sales (June)	$ 51,844,000	$ 45,298,000	$ 279,457,000	$ 246,876,000
Wholesale Prices (1913-100)—				
General Index (June)	150.2	153.5	......	......
Iron	140.9	143.5	......	......
Cotton, raw	173.1	185.8	......	......
Grains	165.3	180.5	......	......
Cattle	156.0	130.1	......	......
Rubber	37.9	60.7	......	......

Agricultural Survey

Early Harvesting Expected
Look for Big Wheat Crop
Eastern Situation Better
Market for Wheat Fair

Harvesting will start about two weeks earlier this year. The warm weather and showers of the past two weeks have caused rapid crop growth. Wheat is all headed out and present indications point to a crop heavier than any heretofore reported. While it is too early for any accurate estimate, there seems little doubt but that the wheat crop will be far in excess of that for last year which ran about 425,000,000 bushels. The other grain crops will be proportionately larger.

In order to take care of the anticipated heavy yield this year, arrangements already are being made to ensure sufficient labor for the garnering of the crops. It is estimated that approximately 75,000 harvesters will be required in Western Canada this year. Manitoba will need 12,000 harvest hands, while the requirements of Saskatchewan are placed at 40,000 and of Alberta at 23,000. It is possible that there will be a shortage of labor and consideration is already being given to the granting of harvesters' rates to persons in Winnipeg and other Manitoba points who may want to go to various districts of the province to work in the fields.

Conditions Favorable

According to the latest reports received from the West, there is a sufficiency of moisture in all sections. In a few districts, especially in Manitoba, flooding has been reported. Both early wheat and barley are well ahead of last year. Oats are also growing rapidly and generally promising heavy yields, although in parts this crop is somewhat spoiled by wild oats. At the present rate of progress it is anticipated that the cutting of some varieties of wheat should commence early next month.

Conditions in Manitoba this year have been somewhat spotty. In the low-lying districts too much moisture has been received, resulting in the flooding of a large area. However, conditions are a great deal better than they were last year when a large part of the wheat crop was washed out. The general outlook is encouarging.

The crop in Saskatchewan this year should be a heavy one. A few of the southern districts report damage from hail. Generally speaking, though, the growth is more uniform and stronger for this time of the year, than probably at any similar period.

Last year, Alberta set a new record for wheat production with a total crop of some 225,000,000 bushels. From present indications there is every reason to believe that this yield will be exceeded in 1928. Growing conditions in this province have never been more favorable and a good uniform strong growth is reported from all sections. There is plenty of moisture to carry the crops and so far little damage has been reported from insects or hail. The crop is from ten days to fourteen days ahead of last year and harvesting should get underway by the middle of next month. It will be remembered that last year Alberta suffered considerable losses through late harvesting and having to let the cut grain lie unthreshed in the fields. It now looks as though the crops will be cut and threshed before the winter weather sets in.

Conditions in Ontario and Quebec are much improved but still somewhat below average. Haying is general in both provinces but is held up in a few districts on account of excessive rainfalls This may affect the quality of the crops somewhat.

Root crops are good in both provinces. Pastures are excellent and milk production is equivalent to that of former years.

Crops are somewhat spotty in the Maritimes. Growing conditions are excellent in parts of the Maritimes, but in other districts there is a lack of moisture which has affected clover and grasses. The crop appears to be better in New Brunswick and Prince Edward Island.

The fruit crop this year will be a good average one. British Columbia reports a good crop of strawberries and raspberries, while cherries will be considerably less than last year, and apples only fair. Small fruits in the Maritimes give promise of an average yield. Apples are making good growth in Nova Scotia with little spot on. New Brunswick strawberries are below average owing to winter killing and dry weather. Ontario and Quebec will both have good fruit crops.

There has been comparatively little change in the dairying industry. Milk production appears to be up to the average and the manufacture of cheese and butter appears to be more pronounced this year. The export demand for cheese is being well-maintained and prices of butter reflect improvement in the latter.

Wheat Market Active

Quotations on wheat during the past week or ten days have tended downwards owing to the optimistic reports on crop conditions in Canada and the United States. There is no doubt that these two exporting countries will have an exceptionally large volume for overseas shipment this fall and winter.

Reports from Europe, on the other hand, are somewhat pessimistic. Practically the whole continent has suffered from excessive heat which will affect the yield of grain. Soviet Russia appears to be in the worst way and agents of the Central Government have been buying heavily in Canada during the past week. This has tended to strengthen prices. It is also possible that some of the other European countries will have to import wheat more heavily this year than they did last, when crop conditions were more favorable.

The prospects of a short wheat crop on the continent will also react to the benefit of the Canadian wheat millers. It will be remembered that two years ago the Soviet Government bought a large quantity of Canadian flour. So far they have been buying grain only, but it is likely that they will be in the market for wheat flour later on in the year.

Business Conditions in United States

Measured by the volume of cheques passing through the banks for payment, trade in the United States during the week ended July 14 was greater than a year ago but somewhat smaller than in the previous week, according to the weekly statement of the Department of Commerce. Operating activity of steel plants, although showing a decline from the preceding week, was greater than a year ago. The value of new building contracts awarded during the week was greater than in the previous week but showed a decline from the same week of last year.

Loans and discounts of Federal reserve member banks were higher than a year ago but showed a recession from the preceding week. Loans to brokers and dealers by member banks in New York city showed a decline from the preceding week but were still considerably higher than a year ago. Stock prices averaged higher than in either the preceding week or the corresponding period of last year. Interest rates on time money again showed no change from the previous week but averaged higher than in the same week of a year ago. Bond prices averaged lower than in either the preceding week or the same week of last year. Interest rates on call loans averaged higher than in either prior period. Business failures were more numerous than in either the preceding week or the same week of 1927.

WEEKLY BUSINESS INDICATORS
Average 1923-25—100

	1928 July 7	1927 July 9
Steel operations	95.0	88.0
Bituminous coal production	70.2	67.5
Lumber production	67.7	73.6
Petroleum prod. (daily aver.)	114.5	121.7
Detroit employment	119.5	82.4
Freight car loadings	....	87.5
Bldg. contracts (37 states) (daily average)	121.7	139.6
Wheat receipts	98.2	107.5
Cotton receipts	24.6	38.8
Cattle receipts	61.4	56.6
Hog receipts	66.6	70.3
Price cotton middling	84.2	63.2
Price iron and steel composite	84.4	88.1
Copper, electrolytic, price	105.1	89.9
Fisher's index (1926—100)	98.8	92.5
Bank loans and discounts, ttl.	128.7	117.5
Debits to individual accounts	133.6	131.0
Interest rates, call money	157.6	100.0
Business failures	87.7	76.9
Stock prices	195.4	169.9
Bond prices	108.6	108.3
Interest rates, time money	137.1	105.7
Federal reserve ratio	84.4	99.1

CURB STOCKS
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J. W. Green & Co.
Members Montreal Curb Market
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Tel. MAin 8437

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EXECUTOR, ADMINISTRATOR, TRUSTEE
A. P. Cameron, Manager
431 MAIN ST., WINNIPEG

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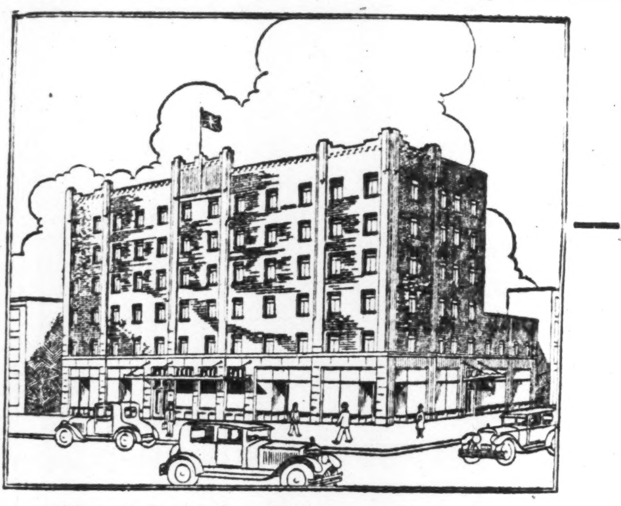

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Denominations $50, $100, $250, $500 and $1,000. Interest coupons payable at par, January 5th and July 5th, at any branch of the Royal Bank of Canada, or in Detroit or New York. Normal Dominion income tax refunded. Price: Par and accrued interest.

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New Issue.

$500,000
Firstbrook Boxes, Limited
(DOMINION CHARTER)
7% Cumulative Sinking Fund Redeemable Convertible Preference Shares
(Par Value $100)
SERIES "A"

The Preference Shares will be fully paid and non-assessable, carry fixed cumulative preferential dividends at the rate of 7% per annum payable quarterly on the 15th of March, June, September and December in each year by cheque at par at any branch in Canada of the Company's bankers except in Yukon Territory; are preferred as to dividends and assets over other classes of shares; are redeemable by purchase in the open market at the lowest available price not exceeding the redemption price, or upon thirty days' previous notice on any dividend date at $110 per share and accrued dividends; carry full voting power; are convertible whether previously called for redemption or not on or before January 1st, 1933 at holder's option into no par value Common Shares at the rate of three shares of Common for each Preference Share.

The Company is to set aside annually, commencing in 1929, a sinking fund of 10% of its net earnings in the previous year after payment of cumulative dividends for the current year on outstanding preference shares. The sinking fund is to be used in the redemption by purchase or call of preference shares.

Transfer Agent—The Canada Permanent Trust Company, Toronto. Registrar—National Trust Company, Ltd., Toronto.
Bankers—The Dominion Bank.

CAPITALIZATION

	Authorized.	To be Issued.
6% first Mortgage 20-year Sinking Fund Gold Bonds (Closed)..	$500.000	$500,000
7% Cumulative Sinking Fund Redeemable Convertible Preference Shares of $100 each (Series "A")	10,000 shs.	5,000 shs.
Deferred Shares, no par value	3 shs.	3 shs.
Common Stock of no par value	90,000 shs.	60,000 shs.

A descriptive circular of this issue, copies of which will be sent on request, contains a joint letter from Mr. John Firstbrook, Chairman of the Board, and Mr. E. Victor Donaldson, President and General Manager, from which and other information we summarize as follows:

THE COMPANY: The Company is acquiring all the issued capital and on completion of the present arrangements and financing will be the owner of the businesses, undertakings and all the assets of Firstbrook Bros., Limited, and Canada Cartons, Limited, subject to certain agreements as to disposition and conveyance of Toronto lands and buildings of its predecessors. Canada Cartons Limited is the successor to the business and has acquired the assets of The Rudd Paper Box Company, Limited. Pending the erection of the Company's new building on lands purchased by it, and installation therein of machinery, plant and equipment acquired from the predecessor Companies, operations will be carried on in the existing factories at Toronto and arrangements have been made for the dismantling and satisfactory disposition of these factories when the Company's new plant is ready for production. In the interim the Company's rights are fully protected by taking title to the lands in question. In view of the arrangements already made for disposition of present Toronto factories of the predecessor Companies only the machinery, plant and equipment now installed therein appear in the Balance Sheet.

BUSINESS: Firstbrook Boxes, Limited, is acquiring a valuable manufacturing site of 10 acres in the Town of Mount Dennis, well known as an industrial suburb of Toronto. The site is located most advantageously on the main line of the Canadian Pacific Railway, and sidings and switches are being built on the Company's premises so as to facilitate reception of raw material and dispatch of manufactured goods. A large building of brick and mill construction will be erected, having a total floor area of about 130,000 square feet.

On completion of the new factory the Company will operate the most modern plant in the Dominion devoted to the combined manufacture of wooden boxes, corrugated paper shipping units and paper cartons. Owing to the economic and large scale manufacturing facilities provided by the new plant, the Company will be in a dominant position in the container and carton industry in Canada.

Government regulations compel the use of wooden shipping cases and boxes for various perishable food products. In this connection it is noteworthy that over 110,000,000 pounds of factory butter is made in Ontario and Quebec, whilst over 165,000,000 pounds of cheese is also produced in these Provinces annually. The supply of wooden packing units to these two industries alone is a large and constant revenue creating factor in the Company's business. Other products generally packed in wooden cases are radios, phonographs, pianos, beverages, preserved fruits and vegetables, etc.

The new Company also anticipates an increasingly profitable business through the even wider adoption of the carton type of container. Realizing the trend of the change in packing biscuits and other food products from tins to cartons, in 1924, Canada Cartons, Limited, arranged for exclusive rights in Canada and the British Empire from the Robert Gair Company of New York, to manufacture their special types of shipping containers. Firstbrook Boxes, Limited, will have the sole right in the said area for the period of five years from July 1, 1928, to use all designs, engravings, inventions and patents, etc., originated by the research department of the Robert Gair Company, who are the largest producers of cartons and shipping containers in the world. The development of these manufacturing rights is another element which it is anticipated will most favourably reflect on the Company's future business.

EARNINGS: Messrs. Thorne, Mulholland, Howson & McPherson, Chartered Accountants, certify that the consolidated earnings of the predecessor Companies for the fiscal years 1925 to 1927, inclusive, after giving effect to the agreements entered into by the new Company, the elimination of certain non-recurring salaries, expenses and revenues, as certified to by the management, which will become effective when the Company's operations are concentrated in the new plant to be presently erected, are as follows:

	Earnings before Depreciation & Income Tax	Depreciation	Income Tax at present Rates	Earnings after Depreciation & Income Tax
1925	$172,712.75	$43,314.80	$7,791.84	$121,606.11
1926	163,241.70	44,141.02	6,968.00	112,132.68
1927	215,123.29	46.772.26	10,908.08	157,442.95

The average net earnings for the above three-year period, after making allowance for bond interest, deduction of Federal taxes and depreciation, etc., were $100,393.91, or equivalent to 2.86 times preferred stock dividend requirements of this issue. Net earnings in 1927 of $127,442.95, after making allowance for bond interest, deduction of Federal taxes and depreciation, etc., were equal to 3.64 times preferred stock dividend requirements of this issue.

Earnings of the predecessor Companies for the first five months of 1928 are considerably in excess of the same period of 1927.

ASSETS: The value of the plant, machinery and equipment of the Company as per appraisal of Sterling Appraisal Company, Limited, at depreciated appraised values and of the land being acquired and buildings to be erected at cost is $844,965.67. Net current assets upon completion of this financing after deducting all current liabilities as certified by Messrs. Thorne, Mulholland, Howson & McPherson, are $441,545.24. The combined value of fixed assets on the above basis together with net current assets, therefore, will exceed $1,286,500, subject only to $500,000 First Closed Mortgage, leaving a balance of Assets $786,500, which is equivalent to $157 per share on the presently outstanding preference stock.

CONTROL AND MANAGEMENT: The control and management of the Company is in the hands of Mr. John Firstbrook who is Chairman of the Board, Mr. E. Victor Donaldson, President and General Manager, and Mr. Harold Firstbrook, Vice-President. These gentlemen were all closely associated with the successful management of the predecessor Companies.

PRICE: 100 and accrued dividend, yielding 7%
Carrying a bonus of three shares of Common Stock with each ten shares of Preferred.
Fractional shares of Common Stock will be adjusted at $25 per share.
Application will be made in due course to list these shares on the Toronto Stock Exchange.

GAIRDNER & COMPANY, LTD. C. H. BURGESS & COMPANY, LTD.
357 Bay Street ELgin 2301 255 Bay Street ELgin 1387
TORONTO 2

These shares are offered when, as and if issued and received by us, and subject to approval of all legal details by Messrs. Long & Daly, Toronto. All statements herein are based upon information which we regard as reliable and, while we do not guarantee them, we ourselves have relied upon them in the purchase of the above shares.

Pulp & Paper

Government Will Try to Improve Position of Newsprint Mills

Taschereau Will Soon Have Conference with Paper Industry — Follows Post's Lead — Quebec Premier Seems Hopeful

From Our Own Correspondent

MONTREAL.—The oft repeated demands of The Financial Post that the newsprint industry and the provincial governments combine to take steps to better the position of the industry have not fallen on stony ground. It is understood that shortly the premier of Quebec will call a conference of the pulp and paper men and also the financial interests backing the various projects. From such negotiations some betterment may take place in the situation surrounding the industry.

In the meantime, the province of Ontario and the province of Quebec have come to a rapport on the situation and the Minister of Lands and Forests of Ontario has already conferred with the Quebec government.

Premier is Hopeful

Following this conference, Mr. Taschereau, the premier of Quebec, made the following significant statement:

"The over-production of paper in both provinces is enormous. Prices have fallen considerably. The time has come for both provinces to come to a mutual understanding. Hon. Mr. Finlayson and Hon. Mr. Mercier have discussed the question before our chief engineer and myself. Mr. Finlayson has full power to come to an agreement. Both governments see the problem from exactly the same angle. In a very near future, our common decisions will be announced to the public. Should it be necessary—though I do not think it will be—we might wait till Hon. Mr. Ferguson's return from Europe. But something quite satisfactory is bound to come out of our conversations on the matter."

Government Takes Action

It now begins to appear that the provincial government will take some definite steps in an endeavor to safeguard the industry and to assure that the Dominion receives satisfactory prices for the chief product of her forests—her greatest natural assets.

It is to be admitted, though, that many difficulties lie in the way of the various newsprint interests and the provincial governments coming to an accord which will preclude the possibilities of further price cutting and the further over-expansion of the industry. Some leading executives in the newsprint industry frankly say that the industry as a whole is sick and can do nothing but take its medicine.

Are Pessimists Also

There is another school of thought which believes that some definite steps can be taken which would allow Canada to take advantage of the dominant position which she occupies in the world of newsprint. More especially as this dominant position has been obtained because the industry in Canada operates on a lower cost basis than elsewhere.

In the meantime, it is known that some negotiations have taken place to bring the smaller independent companies to an understanding. Even presuming that the negotiations to be instituted by the provincial government prove moderately successful, it will be some weeks before it will be possible to announce publicly the steps to be taken to better the position of the industry as a whole.

Post Gave the Lead

At the moment several newspapers are laying claim to the leadership given the industry along these lines by The Financial Post. Editorially The Post has steadily urged co-operation between the provincial governments to prevent further expansion not based on the demands of the newsprint market.

The continued demands of The Financial Post either for government action or action within the industry perhaps along the lines of the appointment of a dictator or arbiter finally resulted in the inception of negotiations between the independent companies at the beginning of this month and the action about to be taken by the provincial government.

Attitude of Post

The attitude of The Financial Post on the newsprint situation is well summed up in the following editorial, which appeared under the head of the Nation's Business just three weeks ago:

"It is to be hoped that the negotiations now under way among the newsprint companies will be successful. Prices for newsprint are already too low. At present levels, Canada in general, and the newsprint companies in particular are receiving too low a price for the chief product of the Dominion's timber resources. Any steps leading to a more prosperous development of these resources naturally deserve the support, not only of the industry and investors in the industry, but of business men generally throughout the length of the Dominion. For prosperity in Canada is largely dependent on the economic development of the forest assets.

"In the meantime, the negotiations, first suggested by The Financial Post two weeks ago, are in their initial stages. There is one factor, though, in the situation which may well assist the various interests to arrive at an acord. This one factor is the possibility of governmental interference in the industry.

Forecasting Action

"In Quebec, Mr. Taschereau and his government are not likely to sit back and twiddle their thumbs while some of the companies take steps which would eventually reduce profits to the vanishing point in the largest single industry in the province. Because all the companies operate on Crown timber limits, none can afford to ignore the desires of the government.

"In Ontario, Mr. Ferguson has already reached an accord with Mr. Taschereau on power development. Both premiers might easily agree to make it hot for any newsprint company which failed to do its best to assist the constructive efforts now on foot.

"Should the present pourparlers fail—as well they may, if some of the jealousies which have been engendered in the past are not forgotten—the provincial governments themselves may step into the newsprint picture in an endeavor to prevent the Dominion selling her greatest natural heritage at a figure in reality below cost.

"Prices for newsprint now only barely allow the companies to make a profit on their present scale of operations. The operators would be wise in seeing to it that any chance of further price cutting is eliminated. Otherwise, there exists the possibility of governmental interference—and government interference in industry has usually worked out most unhappily for all the interests involved."

Lake St. John Power & Paper Reclaims Lost Pulpwood

MONTREAL.—In the spring floods in the Lake St. John territory the Lake St. John Power and Paper, like all the other mills in the area, lost some of its pulpwood. About 6,000 to 8,000 cords of wood escaped into Lake St. John. This wood has been reclaimed and in due course will be brought back to the mill.

Pulp and Paper Association Engineer is Touring N.B.

From Our Own Correspondent

MONTREAL.—The Canadian Pulp and Paper Association's forestry and logging engineer, A. M. Koroleff, who is in charge of the woodlands section of the association, is at present in New Brunswick endeavoring to arrange some co-operation work between the government of the province and the private companies operating in that district.

June Lumber Export Trade Shows Decline from 1927

From Our Own Correspondent

MONTREAL.—Apparently the foreign demand for Canadian lumber continues somewhat below average, judging by the trade returns published by the Department of Trade and Commerce for June. In that month the value of exports was $6,670,611. This compares with $7,959,376 in the corresponding month of 1927.

Planks and boards, representing the principal item of export, show a sharp decline from last year's figures. The value of exports in this class last month was only $4,893,561, as compared with $6,292,912 in June, 1927.

Exports of square timbers show an increase, having amounted to $400,852, as against $281,757. Shingles and shooks also show an increase in value of shipments, while laths, pickets and veneers decreased.

The demand from the United States accounted for the major share of exports. The United Kingdom also was in the market for a goodly amount of lumber. Australia took nearly one-half of the total exports of shooks, while New Zealand was the principal purchaser of veneers and plywoods.

PULP AND PAPER INVESTORS' PLAINT IS UNSUPPORTED

Over Expansion Will Not be Much Worse by New N.S. Mill

From Our Own Correspondent

MONTREAL.—Investors in the pulp and paper securities view apprehensively the continued expansion of an industry which is already suffering from the evils of over-expansion.

One investor writes The Financial Post as follows:

"The Post has lately referred to the construction work on a new 200 ton newsprint mill for Nova Scotia. Even now, the capacities of the mills are already some 20 per cent. in excess of the demand for newsprint, we are told. On top of this, the public is suffering from an over-dose of paper securities which they cannot dispose of and on which in many cases, they cannot raise much money.

"Have the promoters of this Nova Scotian development forgotten the hard times experienced by the industry some years ago? Have they also forgotten the trials and tribulation which these hard times produced for sponsors of pulp and paper securities?

"Why does not The Financial Post strongly oppose such developments?"

True in Part

The remarks contained in the foregoing letter are admittedly true in part. It can hardly be said, though, that the public is suffering from an overdose of paper securities. Investors are not suffering from an overdose of securities when for the last two years The Financial Post has steadily told its readers that over-production was bound to come in the industry. Investors who bought the paper stocks as recently as a year and a half ago, even today still have a profit on their holdings. It is the speculator who has suffered during the last six months.

In the past, expansion in the industry has brought thin times. These thin times are again here. Within recent weeks, The Financial Post has steadily stressed the need for government action to curtail further expansion in the newsprint industry.

In Eastern Canada much further real expansion can only take place in the provinces of Quebec and Ontario—they are the only two places where there is sufficient timber to allow the erection of large mills which would embarrass still further the present producers. If Ontario and Quebec can get together on some suitable restrictive policy, developments which may take place in the rest of Canada can hardly have very much bearing on the situation

It will be some years before the Nova Scotia plant gets into operation and a 200 ton output there can hardly affect an industry very much which already produces almost 9,000 tons each day.

Have Not Resources

Moreover, with the exception of the projected International Paper mill in New Brunswick, the Maritime provinces have not forest resources such as to fill the raw material requirements of several large newsprint mills.

In other words, if the provinces of Ontario and Quebec can get down to a basis of production which will assure the prosperity of the whole industry the erection of further mills in the Maritimes or in Western Canada would not place Ontario and Quebec in the position of "holding the bag."

BELGO'S DIVIDEND IS DROPPED ONLY TO OBTAIN STOCK

Passing of Common Dividend Does Not Affect Parent Company

From Our Own Correspondent

MONTREAL. — A few investors felt a needless apprehension when they learned that the common dividend of the Belgo Canadian Paper Company had been passed. Belgo is a subsidiary of the Canada Power and Paper Corporation; virtually all of the common shares of the Belgo Canadian Paper are held by Canada Power and Paper's subsidiary, the St. Maurice Valley Corporation.

The Belgo plant has been leased to the St. Maurice Corporation for an annual figure sufficient to meet Belgo's fixed charges and preferred dividend requirements. Hence, the old Belgo company obtains naught in the way of revenues to meet the dividend on the few remaining shares of the common stock now outstanding. But for the last year and a half, the parent company out of fairness to the few remaining shareholders has made the six per cent. dividend payment regularly.

Owns Most of Stock

The St. Maurice Valley Corporation owns about 99½ per cent. of the Belgo common stock, and since the merger has been doing its utmost to get all the shareholders to turn in their stock at the $100 figure which was offered and accepted by the company at the time of the formation of the St. Maurice Valley Corporation.

Other than the parent company, Belgo has only about eight or ten shareholders in all. These are located in Belgium and probably belong to the peasant type. They have held their stock for years and paid no attention to the notices sent out to them regarding the merger of the property a year or two ago.

The parent company has passed the dividend payment on these few remaining common shares solely with the idea of getting these few shareholders to turn in their stock. Hence, the passing of the dividend has no bearing on the position of the parent company.

FISHERIES VALUES ARE ABOVE NORMAL

Last Year's Record Fifth Highest Ever Registered

From Our Own Correspondent

MONTREAL.—A decrease of $6,900,033, or 12 per cent., in the value of production of the fisheries of Canada for 1927, is reported by the Bureau of Statistics. For the year passed the total value of production was $49,460,600. This figure represents the value of all fish marketed and compares with $56,360,633 in 1926.

The value in 1927, however, is higher than in any one of the years 1920 to 1925 and is the fifth highest in the history of the industry, the year 1926 being the third highest.

Salmon, lobsters, cod and halibut, the four principal kinds of fish, all show decreases both in quantity caught and in value marketed. The catch of salmon amounted to 1,541,447 cwt., a decrease of 639,023 cwt.; lobsters 316,831 cwt., a decrease of 22,752 cwt.; cod 1,978,803 cwt., a decrease of 755,061 cwt.; and halibut, 329,032 cwt., a decrease of 10,886 cwt.

Values Generally Decline

The total marketed value of these four kinds of fish was $29,656,013, a decrease of $7,765,496. Herring is fifth on the list of principal kinds of fish and shows an increase in catch and in marketed value. Whitefish shows a decline in catch but an increase in value. The pilchard fishery of British Columbia shows a substantial increase in value of product owing to the large output of oil and meal.

At the end of last year capital investment in primary operations totalled $26,783,340, an increase over the preceding year of $2,760,966. Increases in number and value are shown for all kinds of vessels and boats, while decreases are shown for many of the items of gear. In addition there is an investment of $24,364,85 in fish canning and curing establishments. There are now 776 canneries in operation, as compared with 831 last year.

From the standpoint of value of production, British Columbia led all provinces last year with a value of $23,227,904. The marketed value of catch reported by the other provinces was as follows: Nova Scotia, $10,783,631; New Brunswick, $4,406,673; Ontario, $3,670,229; Quebec, $3,670,229; Manitoba, $2,039,738; Prince Edward Island, $1,367,807; Alberta, $712,469; Saskatchewan, $503,609; and Yukon Territory, $12,090. Ontario, Prince Edward Island and Saskatchewan are the only fishing areas to show an increased value of production as compared with last year.

Western Trust Absorbs British Western Trust

Purchase by the Western Trust Company, Winnipeg, of the British Western Trust Corporation, Regina, is announced. The British Western, organized 15 years ago, had an authorized capital of $1,000,000, of which $264,600 was paid up. It had been paying a six per cent. dividend annually for several years, and the Western Trust paid "one hundred cents on the dollar." British Western stock was widely scattered, some being held in New York and some in British Columbia. The bulk, however, was held in Manitoba and Saskatchewan.

The Uses of Paperboard
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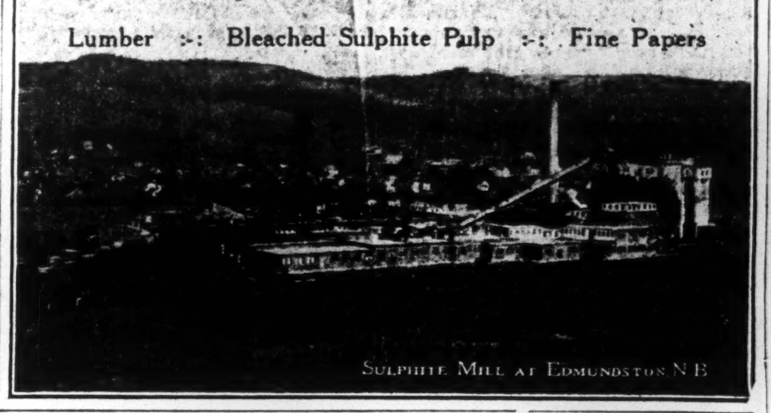

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Paper, Pulp and Fibre Mills
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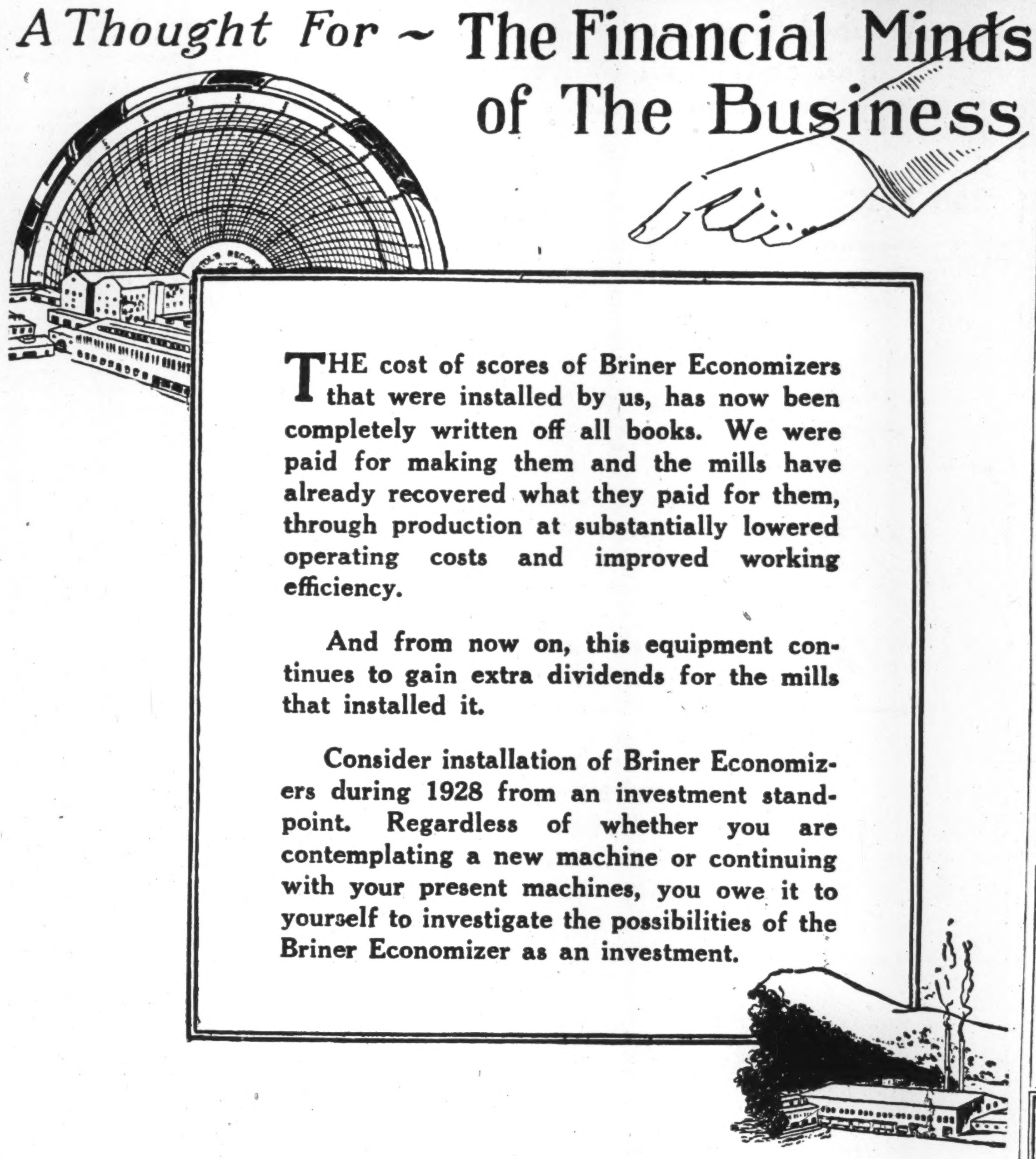
Water Power Development

Atlantic Sugar Refineries Limited
General Offices 211 McGILL STREET MONTREAL
Refineries - St. John, N.B.

PORT ALFRED PULP & PAPER CORPORATION
Newsprint and Sulphite Pulp
HEAD OFFICE: CANADA CEMENT COMPANY BUILDING MONTREAL, P.Q.
Mills at PORT ALFRED, P. Q.



A Thought For ~ The Financial Minds of The Business
THE cost of scores of Briner Economizers that were installed by us, has now been completely written off all books. We were paid for making them and the mills have already recovered what they paid for them, through production at substantially lowered operating costs and improved working efficiency.
And from now on, this equipment continues to gain extra dividends for the mills that installed it.
Consider installation of Briner Economizers during 1928 from an investment standpoint. Regardless of whether you are contemplating a new machine or continuing with your present machines, you owe it to yourself to investigate the possibilities of the Briner Economizer as an investment.
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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

B.A. Oil

How do you regard the outlook for B. A. Oil shares?

As a long business man's semi-speculative hold B. A. Oil stock looks interesting and we believe stands a good chance of appreciating in the next two years.

Federal Distilleries

I hear that the shares of Federal Distilleries are a bargain. Is this so?

We are not impressed with Federal Distilleries shares. It is a small organization and will have difficulty in competing with the big companies such as Canadian Industrial Alcohol, Seagram's and Gooderam and Worts. Perhaps this stock is a sale.

East Kootenay Power

East Kootenay Power's earnings in the past have not been particularly good. Would I be well advised to sell my holdings of bonds in this company?

You are obtaining a very handsome yield on your East Kootenay Power bonds and this year the company appears to have got into its earning power stride and we feel that the bonds are undoubtedly a hold. Earnings are now increasing.

Canada Crushed Stone

I have some Canada Crushed Stone bonds. Are they a good investment?

The financial figures of the Canada Crushed Stone Company are not made public, but we understand that the organization is obtaining its fair share of the business and that before depreciation, earnings are very largely in excess of bond interest requirements. We understand that the organization writes off large sums annually in depreciation. Hence we think that there is an adequate earning power behind the issue. Moreover, the bonds are amply secured as to assets. Because it is a small issue, there is not much of a market for the bonds. The nominal quotation is about par. The bonds look like an issue which might well be held, provided they are included in a diversified list.

York Apartment Bonds

Would you consider York Apartments seven per cent. bonds a good investment? There is an apartment at the following cities: Brantford, Kitchener, and Stratford. Would you exchange an Edmonton 1941 seven per cent. at 117.50 or 118 for this bond?

The 7 per cent. first mortgage sinking fund gold bonds of the York Apartments rank well amongst real estate bond issues but can scarcely be compared with Edmonton 7's. The latter at the price you quote are a sound and safe investment and offer a good yield for gilt edged security. The York apartment issue, on the other hand, is a speculative investment offering a higher yield to compensate for some element of risk.

If you desire the utmost in security you had better retain the Edmonton bonds. The York apartments issue is more suited for a business man with diversified investments, some of which must necessarily yield fairly high.

Bruck Silk Mills

I have a well diversified list of bonds in which are included some of the Bruck Silk Mills issue. What do you think of these bonds?

While it was changing its line of output the Bruck Silk Mills bonds did not look particularly attractive. But the management has ability, for the company has met its merchandising problems successfully and is increasing its earning power. You might continue to hold these bonds as you have a well-diversified list.

Wright Flexible Axle

I have been approached to purchase shares in the Wright Flexible Axle Automobile. I should like to obtain your opinion before deciding.

We earnestly advise you not to purchase any of the securities of the Wright Flexible Axle Automobile. We believe that this organization has no chance of competing with the long established and strong motor car industry on this continent. The Wright Flexible Car may be sound mechanically, but even this has yet to be proved.

From time to time in The Post we have also warned our readers about buying the stock or shares of the investment company which controls the organization. The undertaking has been sponsored by labor men. But some of the real leaders of labor are very apprehensive on the outcome of the project.

Buffalo & Erie Bonds

On behalf of one of our clients who holds Buffalo & Erie Railway bonds, 6½ per cent., first mortgage, July, 1954, we would appreciate your opinion on the situation of the bondholders following recent adverse happenings.

We understand that following a serious accident which occurred on the railway, damage suits for $500,000 are pending against the company. The latter has passed the July interest coupon, and the price of the bonds evidently has fallen down.

We understand that a protective committee for the bondholders has been formed and a receiver appointed to take charge of the company's affairs.

In case of liquidation, do you think that the sale of the assets would cover the amount of outstanding bonds?

It is difficult to say at this early date before a physical report of assets has been issued by the receiver, as to whether sale of assets will realize sufficient to satisfy bondholders and other creditors of the Buffalo and Erie Railway. But it would appear from the way in which security for the equipment trust certificates is specified, that even this second or junior security will be taken care of by sale of certain specified items of rolling stock leaving the more or less fixed tangibles for the first mortgage bondholders.

Sale of a railway either piecemeal or as a going concern is not always the easiest thing in the world; and the Buffalo and Erie will scarcely be the exception to this rule as it has had rather a difficult time of it for many years, largely on account of competition from buses, trucks and automobile lines on highways paralleling its route.

A Diversified List

Will you please give me your opinion on the list I hold of stocks and bonds? I have $1,000 to invest and am thinking of buying city dairy or Brazilian. Do you think these are the best?

$4,000 C. P. R. bonds.
$3,000 Victory bonds, 1934.
$4,000 Victory bonds, 1933.
10 shares C. P. R.
25 Brazilian.
20 International Nickel.
20 Cosmos Imperial.
10 Imperial Oil.

Your bonds are excellent.

There is a substantial appreciation in the Canadian Pacific Railway, International Nickel and Imperial Oil shares which you hold. At the moment you show a loss in Brazilian and Cosmos Imperial Mills. We have every confidence in the future of Brazilian Traction and believe that investors who are patient will have a most satisfactory experience with this stock.

Cosmos Imperial Mills is, of course, a much smaller enterprise. We understand that the company is doing much better this year than last, and think that when market conditions improve the stock should sell at near or higher than the price you paid.

City Dairy common is a conservative stock in its class. There has been no better foodstuff investment in Canada.

If you are seeking further diversification you might better perhaps buy City Dairy than Brazilian as you already hold Brazilian.

Imperial Oil

How do you regard Imperial Oil shares?

Imperial Oil looks like a good long hold for a business man.

Laurentide Power

Are the Laurentide Power bonds a sound issue? I hold some.

The Laurentide Power bonds are a first class investment issue which you should retain.

Inter. Utilities

What would you think of my buying some International Utilities "B" stock?

International Utilities "B" seems high enough for the present. If you want a gamble, hang on to the stock. It is a good gamble and looks attractive.

General Steel Wares

How are the bonds of General Steel Wares regarded?

General Steel Wares bonds are an attractive business man's investment. This company is ably managed and is doing better than was anticipated at the time of the merger which brought the General Steel Wares into existence.

Industrial Alcohol

I have been urged to purchase Canadian Industrial Alcohol shares with some money which I have available for mild speculation. Give me your opinion please on such a purchase.

Canadian Industrial Alcohol shares look like a good hold for a business man. The company is doing well and over a term of years should continue to do well,—provided there are no adverse changes in the liquor legislation prevailing on this continent. Of course, the speculative feature of the stock is that ultimately a proportion of the company's output must find its way to the United States, though the company itself operates along clean lines and does only a legitimate business. It has the benefit also of an able management.

Empire Loan Co.

As a subscriber to your valuable paper I am taking the liberty of asking your opinion of Empire Loan Co., Winnipeg, Man. Is there any market for the stock and what do you consider are the prospects? I hold 17 shares of the preferred stock.

In common with loan companies whose funds are employed almost solely in western Canada, the Empire Loan Co., has had rather hard sledding during the past several years of depression in the west. Concomitant to the loan business is the taking over of real estate acquired by foreclosures; and the Empire has had its share of such real estate acquisitions. Unfortunately, during the past several years it has been difficult to resell such properties in the west; and the result has been a large portion of the company's capital tied up in non-productive assets.

During the past three years the company's position has been somewhat improved in this respect; and with the improved conditions in the west and the big crop expected this year, the company has good hopes of liquidating the major part of its real estate holdings. If it succeeds in doing so, it will be back again in a fairly good earnings position, as income apart from this realty drain, is satisfactory.

As regards the company's shares, there is a very narrow market for such even when on a dividend paying basis; and you would probably find it difficult to realize a great deal from them in view of the fact that dividends have not been paid for some years. It would seem the part of wisdom to hang on to them for the present, until the company further improves its position.

Sprucolite

Please give me your opinion on: Sprucolite, Tip Top common, Canadian Oil, B. A. Oil and Packard Motors.

You often refer to a "long hold." What period of time?

The common stock of Sprucolite Company and Tip Top Tailors, Limited, are new issues in the market. The respective companies are reported as promising enterprises. The former company will begin operations within a few months. It manufactures fibre material which is used in pulleys. The markets are believed to be satisfactory and some progress reasonably may be anticipated.

Tip Top Tailors has been in existence for a number of years and profits have been satisfactory.

Both these issues are new in the market and at this stage hardly can be considered seasoned stocks. There is a probability, of course, that both will show a moderate appreciation over a term of months or years.

Canadian Oil Companies, Limited, is one of the larger independent distributors of gasoline and other oil products in Southwestern Ontario and Toronto. The company has a connection with the National Refining Company of Cleveland, Ohio. It has been a good investment in the past and it is reasonable to expect that this experience will continue in view of the great increase annually in consumption of gasoline.

There is a possibility that Canadian Oil Companies will be absorbed by one or other of the larger companies.

British American Oil is the second largest company distributing gasoline and other products in Canada We understand that the volume of business in the current year is considerably in excess of the business last year although the profit margin possibly is not so great. Purchase of this stock with a view to holding for a year or longer probably would be profitable.

We have not that contact with American financial houses and executives which enables us to form and express opinions on United States' stocks. Packard Motors is one of the largest and most successful of the independent companies in the industry and we have heard that current progress is satisfactory. We pass this information on to you for what it is worth.

The term "long hold" is an elastic one. Probably it means that a person should buy a stock not for the immediate turn, but with a view to holding it for at least a year and possibly much longer.

Lake Superior Paper

I hold Lake Superior Paper bonds. In view of the depression in the industry, can they be regarded as a hold?

Hang on to your Lake Superior Paper bonds. They may be called by November 1 this year.

Durant of Canada

I am interested in Durant Motors of Canada.

Would you kindly tell me what is the actual financial situation of this company?

Is the stock of this company listed on the market?

Durant of Canada's financial position is excellent. At the end of last month, with the biggest half-year in its history behind it and inventories consequently of quite a size, the company's cash position, represented by actual cash on hand or investments in gilt-edged securities, passed the $2,000,000 mark, with other liquid assets sufficient to bring the total liquids up to practically dollar for dollar of the par value of its issued capital. At the same time current liabilities are known to have been kept down, probably below the figure at close of year when they totalled $327,826; and surplus increased a very substantial amount.

In addition to this, Durant owns outright a property and plant valued at little less than $2,000,000, the sum at which it appears on the books on December 31st last being $1,822,744 against which there was set off some $477,304 for depreciation. There are no mortgages, liens or indebtedness against this property.

A feature of Durant's strong financial position is the fact that it has been able to wipe off all bank loans, and has plenty of working capital for all it needs.

The company's shares are traded on the Toronto Curb, where there is a fairly active market from time to time, the present market being around $8 a share.

Sunnyside Pier

As I understand the Sunnyside Palace Pier is now being built, I would be glad to know your opinion of this promotion.

The stock is now being sold at $10 per share, all common stock, and is it true that the majority of piers in England as well as United States are money makers?

The Sunnyside Palace Pier is being financed by issue of 200,000 shares of $10 par value each of the Dominion Palace Pier Corporation Ltd., the operating company.

There have been numerous delays experienced by this company in securing the necessary franchise rights from all the various governments concerned, in using the water frontage required, as the pier will extend some 1850 feet into the lake. But these rights are stated to have now been secured; and as recent engineering surveys and borings have determined the nature of construction, the company expects to shortly be in a position to go forward with the actual construction work.

As previously pointed out, this will take many months; and it is doubtful if a full year's experience of operating will have been concluded for another two and a half to three years from now. So that it will be some little time before it will be possible to arrive at an accurate estimate of actual earnings of this company, which will have keen competition from the outset from the older established adjacent Sunnyside resorts.

The site of the pier will be on the west bank of the Humber river, and the extension of the Sunnyside Lakeshore drive projected by the Toronto Harbor Commission will cut across the corner of their property, crossing the Humber by the new Highway bridge.

The shares being offered should be regarded as highly speculative, and ranking with other amusement resort securities. The physical location of the pier is good, and the history of such amusement places in the Old Land has been happy; but there will be unusually keen competition by older adjacent resorts, which will no doubt seriously affect earning power.

Standard Royalties

As a subscriber to your paper I would appreciate your opinion on a stock called Standard Royalties Ltd., sold by Mid-Continent Bond Co., 331 Bay St., Toronto.

Would you advise me to purchase the stock?

What is its standing and prospects? Can they pay 12 per cent. a year?

With so much money in the country, why do they have agents selling a stock like this?

Standard Royalties Limited, is a high yield speculative investment for a person who can afford to risk a part of his principal for the sake of the apparently high income. We do not believe that we would advise investment in this company by any person unless he had a substantial investment otherwise in the most conservative bond stocks and had an excess fund which he felt justified in putting into an enterprise of materially greater risk.

An oil royalty company buys royalties from owners of land and gets a proportion of the value of the oil extracted. The success or failure of the company depends on the luck or judgment of the persons selecting the royalties to be bought. As nearly all oil wells soon or late must be exhausted, new royalties must be bought which may or may not turn out as profitably. The operations of this company are in the central states of the United States.

You ask us if we would advise you to purchase the stock. We know of some persons of standing who are buying such securities and their experience may be satisfactory. Yet we are inclined to believe that the safer course for a person who wants a speculative security is to buy a common stock which gives little or no yield, but which is in a company making progress in an essential industry. Standard Royalties operations are in a remote field and if anything went wrong Canadian shareholders might find difficulty even in learning what happened.

Standard Royalties is a new company operated by a group which made some apparent success of a similar company, the stock of which was sold up to a few months ago.

One of the speculative elements of the stock is the question as to whether or not the company can continue to pay 12 per cent. annually. A company of this kind is gambling on the merit of royalties it has bought.

High yield stocks are not easily sold because the excessive yield makes many persons dubious. The house which is selling the stock is not large.

Queen's Park Plaza

I am thinking of buying some serial general mortgage bonds of Queen's Park Plaza Co., Ltd., Toronto, also some of the common stock other than the bonus stock, but first would like to get your opinion as to safety of same. Any information you can give me will be much appreciated.

The general mortgage bonds of the Queen's Park Plaza that you mention are probably the junior securities ranking after the first mortgage issue. The latter consists of $875,000 6½ per cent. first mortgage real estate gold bonds constituting a first mortgage charge on the building, lands and equipment of the company, including all furnishings. The general mortgage bonds constitute, therefore, a second mortgage of $600,000 likewise 6½ per cent. securities.

One appraisal of the land, buildings, and furnishings places the valuation at $2,217,093; while the brokers for the first mortgage whittle this down to $1,549,381. On the latter basis, the combined first and second mortgage bond issues would be only $99,381 less than the total estimated valuation made by the underwriters of the first mortgage bonds. In the event of a forced sale, this can scarcely be regarded as a very fat margin of safety.

The building itself, as a business proposition, has big earnings' possibilities, the estimate for the first year being more than $220,000. This offsets to a certain extent the relatively small equity the common shareholders will have in the buildings and property after the senior securities have been satisfied.

The general mortgage bonds rank in the speculative class. The common stock is certainly a highly speculative buy, with its chances for appreciation resting on actual earnings.

After numerous delays, work is rapidly going forward on the building, and structural steel work is expected to be finished in from two to three weeks' time.

Interprovincial Brick

I understand the Interprovincial Brick has been taken over by the Cooksville Shale Brick Company. I am a shareholder of the Interprovincial and am worried because the dividend on the shares has been passed. Please tell the exact situation.

The Interpovincial Brick Company, we understand, has not been taken over by the Cooksville Shale Brick Company, but the latter organization has acquired the stock control of the Interprovincial Brick.

The subsidiary will carry on as a separate entity, but apparently it is to be operated in conjunction with the Cooksville company's plant.

The Interprovincial Brick has outstanding 10,000 shares of no par value common. Over 5,000 of these shares were recently acquired by the C. G. Greenshields interests at a minimum price of $12 per share. We understand that the stock was then turned over to the Cooksville Shale Brick Company.

The subsidiary company has outstanding $147,900 in 8 per cent. "A" preference shares. Until the Greenshields interests acquired control of the property, this stock paid regular dividend. The new interests promptly discontinued dividend payments.

The Interprovincial Brick has outstanding also $300,300 in 8 per cent. "B" preference on which nothing has been paid in the way of dividends since June, 1926. The company's plants are at Milton, and Cheltenham, in Ontario. The new interests in the company say that dividends on the "A" preference stock have been passed as it is proposed to spend further money on the plants.

The outlook for the future of Interprovincial Brick shares, now appears unsatisfactory to us.

In our opinion, some of the directors of Interprovincial Brick could not have had the best interests of the shareholders at heart when they sold their holdings without insisting that the Greenshields group make a similar offer to the minority shareholders.

We place little confidence in the outlook for the future of Interprovincial Brick because the new interests accepted the resignation of A. O. Dason who was president of the company. A. O. Dawson is universally respected in financial and business circles.

Nevertheless the new interests in Interprovincial Brick promptly accepted Mr. Dawson's resignation and also the resignation of the general manager of Interprovincial. The general manager of the company, we also learn, was an able executive.

In our opinion, the whole deal whereby the control of the company changed hands, reflects no credit either on one or two of the directors of Interprovincial Brick or on those who made the offer to these directors and at the same time made no offer to the minority shareholders.

The larger minority shareholders in the company are indeed gloomy as to the future outlook for the organization.

Bank Merger Arouses Theorists to Suggest Changes in Bank Laws

From Our Own Correspondent

WINNIPEG.—It was not to be expected that the most recent bank merger should pass without criticism in Western Canada. It is in this part of the country that resentment has been greatest against increasing financial centralization, and it is also in Western Canada that the most radical suggestions have been made for changes in the present system. True, the Standard Bank has only a few branches in the west, and the projected amalgamation can therefore not be criticized as likely to limit to any great extent credit facilities now enjoyed in the west. But increasing concentration of banking power runs counter to ideas largely prevailing in Western Canada.

The Manitoba Free Press came out promptly with an editorial headed: "Stop This Bank Merger!" The editorial ends with a statement of belief that "public opinion, and Liberal opinion particularly, will regard the complaisance of the Government in this respect a breach of trust," and suggests that the Government should reconsider its action and intervene to prevent the amalgamation.

Darby's Plan Again

A. E. Darby, Secretary of the Canadian Council of Agriculture, has seized the opportunity again to put forward the views on the banking situation previously endorsed by the Council of Agriculture, sending an article to the Free Press on the subject. This article does not attack the merger in question or previous mergers, but rather appears to regard such events as the natural outcome of the present Canadian banking laws, involving the regulation of banking by the department of finance and the finance minister. Centralization of banking power is likely to continue under the present system, so runs the argument, until the government will soon be faced with a demand for the government to take over the operation of banks.

"Either the legislative restrictions on banking enterprise," writes Mr. Darby, "must be relaxed and the business thrown open to all and sundry who may wish to embark on it, taking the risks inseparable from such ventures, but preserved from extinction from the sheer pressure of the big banks by having access to a national bank of issue and rediscount; or else the drift towards complete monopoly with ultimate nationalization inevitable; these are the alternatives."

Sees Nationalization Demand

Elsewhere in the article it is stated that the Canadian people are not at present demanding nationalization, but that fear of the concentration of credit is growing. Consequently, unless the existing quasi-monopoly is ended by liberalizing the banking laws, the day must come when the demand for nationalization will be made.

Regulation of so large and important an economic function as banking by a government department, subject to political vicissitudes and political influence, obviously cannot be maintained. So long as it is maintained, and the department of finance retains responsibility for the inspection, regulation and evolution of the Canadian banking system, it is likely to suffer political consequences from such developments.

In previous publications of the Canadian Council of Agriculture arguments have been put forward for the establishment of a national bank of issue and re-discount, in which stock would be taken by the different banks in proportion to their capitalization, by the Dominion government and possibly by the provincial governments, under certain circumstances. To such a bank would be transferred the duties now performed by the Treasury Board and the Canadian Bankers' Association. It would not receive deposits from the public nor carry on a general banking business in competition with the chartered banks. With such a bank established it is argued, the establishment of local banks with small capitalization could be allowed. These would not be permitted to issue notes or to make loans in excess of a given multiple of their capital, and without the note issuing privilege, would be free from the double liability on shareholders.

No change in the structure of existing banks is contemplated by this plan, except that a bank might be allowed to surrender the note issuing privilege, using notes of the national bank instead, and thereby relieve its shareholders of the double liability.

When the plan in question was first advanced, it doubtless presented itself to many people as implying increased participation by the government in the business of banking. To the Secretary of the Council of Agriculture, however, it evidently implies the direct reverse. It means setting up machinery by which the activities and the responsibility of the finance minister and the finance department for the business of banking would cease. The new bank might be a national creation, but would evidently not be under national management. Bank mergers, should they continue to take place, would evidently not be the business of the finance minister, who would be required neither to approve nor to impede them. It is private initiative, and not government interference that is the basis of such a plan. It is planned that control should be effected, not by the government and with a government department performing banking functions, but by giving private initiative the chance to establish new banking ventures when the field seems sufficiently profitable.

Expect More Theories

Western members of Parliament, during the last session at Ottawa played a considerable part in the proceedings of the banking committee, which on motion of the house, with government approval, was instructed to study possible means for the improvement of the Canadian banking system. The committee, after hearing a certain amount of evidence, and hearing various theories discussed, recommended that the government give further study to the matter, inviting into conference the bankers of Canada, with other competent persons experienced in such matters, with instructions to take such steps as in their opinion in the premises are warranted.

The western members in question will hardly let the opportunity pass to use the late amalgamation to repeat their demands for changes and to ask in the country and at the next session of Parliament if the only result of the study demanded by the committee's report is the approval of another bank amalgamation. Increased advocacy of changes is to be looked for, based on theories of banking and credit not in accord with the theories which underlie the basis of our present structure.

When Women Invest

Arnold Bros. Preferred Can be Sold Now Only at Sacrifice, But Retaining It is to Gamble on Future Success of Company

A WEEKLY FEATURE

A customer of ours holds a certificate for four shares of Arnold Bros. Ltd., first preference stock and she informs us that she has not received a dividend for some time. She inquired if it would be advisable to sell this stock now or hold for a time. Would you be kind enough to give us your opinion of this stock and whether it would be advisable to sell at this time? Have there been any sales recently, and at what price?

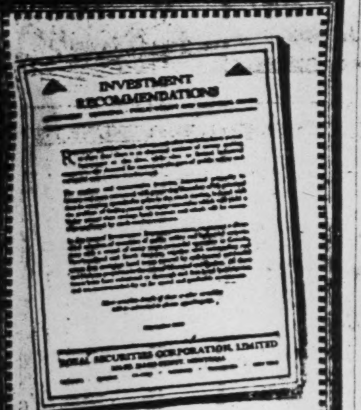
To sell the preferred stock of Arnold Bros., Limited, at this time would mean a sacrifice of 30 per cent. of the par value of the stock. To keep it is gambling on the future of the company. The outlook is no worse than it was a few months ago and there is some hope that the new management and financial control will be able to make the business pay. But in view of the intense competition in the chain-store industry, investment in this company at this time is is little better than a gamble, in the opinion of most observers.

If She Needs Income

Arnold Bros. owns a large amount of real estate which is not decreasing in value and which is more than ample to meet the requirements of the bond issue which is a charge against the company preceding the claims of the preferred stock. Thus, there are assets of a tangible nature back of the preferred, stock, but tangible assets, while desirable, are not so important as earnings from the point of view of the investor who requires the income.

If your client does not wish to gamble she might be better off to sell her holdings in this company and buy stock which, at this stage, promise greater success. Unless the preferred dividends can be resumed soon, which seems improbable, it is likely that a re-organization of the financial structure will be necessary at some time in the future in order to eliminate the burden of arrears of dividends on this preferred stock.

Ten shares of this stock were sold a few weeks ago at 70. This was a drop of ten points from the previous sales a few weeks previously.



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CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING JULY 24

	Div. Rate	Yield July 24	High for wk.	Low for wk.	Close July 24	Close July 17	Sales for wk.	Range 1928 High	Range 1928 Low
Banks—									
Commerce	12+1	4.37	299	295	295	299	138	335	277
Dominion	12+1	5.03	258	255	255	259¼	74	280	250
Can. Nationale	10	5.29	189	189	189	190	6	220	185
Imperial	12+1	5.13	255	251¾	251¾	254½	71	265	245
Montreal	12+2	3.92	360	352½	357	346	102	420	334
Nova Scotia	16	4.27	375	374	375	375	16	410	374
Royal	12+2	3.89	363	357	363	360	238	440	330
Standard	12	4.16	290	287	287	288⅛	352	290	235
Toronto	12+1	4.48	294	288	294	295	22	340	280
Paper—									
Abitibi, com. (n.p.)	4	6.78	60	58	59	60½	1488	89¾	47
Do. pref.	7	...	...	...	...	...	...	130	124
Do. pref.	6	5.97	100½	100¼	100½	100½	675	103	96¾
Belgo Can., pref.	7	6.66	105	105	105	105	60	110	104¾
Brompton (no par)	$2	4.70	43	38	42	42½	2260	71	38
Can. Pr. & Paper	.	...	37	32½	36	33	16850	55	32½
Fraser, com.	$1	1.60	62½	61	62	62	530	93	52
Int. Pap., c. (n.p.)	$2.40	3.35	72	68½	69⅜	68¾	7700	84⅞	66
Do. pref.	7	6.82	...	...	...	...	...	108	102¼
Pt. Alf. P., c. (n.p.)	.	...	80	75	77	78	270	150	71
Do. pref.	7	7.00	100	100	100	99	5	108	97
Price Bros., com.	2	2.56	79	78	78	80	415	120⅜	75
Do. pref.	6½	6.22	104½	104¼	104¼	104½	155	108	103
Smith, How., c. (n.p.)	.	...	25	25	25	25	10	28½	25
Do. pref.	.	...	94	93	93½	93	51	98	93
St. Maur. V., pref.	7	7.00	100	99	99	99	100	105½	95½
Wayagamack (n.p.)	$3	3.51	85¼	84	84	85	185	127¼	83½
Steel and Steel Industries—									
B.E. Steel, com.	.	...	4¼	4	4	4	336	8½	1
Do. 1st pref.	.	...	...	...	...	...	...	48¼	22
Do. 2nd pref.	.	...	7	6¼	7	6⅞	345	11¼	3½
Can. Car & Found., c.	.	...	44	43	43½	43	220	61¼	42
Do. pref.	7	7.44	94	93	93½	94	165	97½	90
Can. Fairbanks, pref.	6+3†	5.88	...	...	...	...	...	103	101
Can. Forgings, com.	.	...	...	...	...	...	...	32	15
Do. pref.	1½†	...	...	...	...	...	...	97	65
C.G.E., c. (par $50)	.	...	110	107	110	108	15	115	70½
Do. pref. (par $50)	7	5.73	61¼	58½	61	59	120	62½	58
Can. Iron, com.	.	...	25	25	25	26	40	27	25
Do. pref.	4	5.33	...	...	...	...	...	80	60½
Can. Locomotive, com.	.	...	31	29	29	35	60	40	29
Do. pref.	7	8.75	80	80	80	80	1	87	75
Dominion Bridge	$2.60	3.13	84¼	82	82	84	1478	97	61½
Dominion Coal		...	...	...	...	...	...	98	75
Dominion Iron, pref.	.	...	8	7	8	11	45	12	5
Dom. Steel Corp., pref.	.	...	...	...	...	...	...	76¼	44½
East Steel Pro. (n.p.)	.	...	31	31	31	30	110	34	23
Do. pref.	7	7.44	...	...	...	...	...	99	94
Gotfredson, c. (n.p.)	.	...	...	...	...	...	...	15	5
Ford Motor	15	...	...	...	...	...	...	570	570
Hamilton Bridge (n.p.)	.	...	29	28	28	29	67	30	28
Hayes Wheel, c. (n.p.)	.	...	32¼	30	32	32⅝	250	34½	21
Do. pref.	7	7.29	96	94¾	95	96	47	100	93½
Massey-Har., c. (n.p.)	.	...	40	38⅝	39½	40	2005	47¼	36¾
Do. pref.	7	6.36	110	109½	110	110¼	233	111	107
Kelvinator, c. (n.p.)	.	...	7⅞	7⅞	7⅞	8½	45	12¾	5
Do. pref.	7	8.23	...	...	...	...	...	88	65
McKin. Ind., c. (n.p.)	.	...	43	42	42	43	40	47	27¾
Do. pref.	7	7.10	99	98½	99	98	30	99¾	97
Do. Vot. Trust	.	...	41	41	41	42	50	46	26
N.S. Steel, pref.	.	...	...	...	...	...	...	30	25
Ont. Steel, c. (n.p.)	$1.60	5.16	...	...	...	...	...	40	30
Do. pref.	7	5.83	...	...	...	...	...	120	120
Page Hersey, c. (n.p.)	$3	3.17	97	94½	97	96¾	970	108	85
Do. pref.	7	3.50	...	...	...	...	...	212	171
Pressed Metals, com.	$3+25c	4.33	78	71	75	66	550	78	50
Do. pref.	7	7.07	99	99	99	98¼	100	105	95
Russell Motor, com.	4	6.15	65	65	65	70	10	72	56½
Do. pref.	7	6.86	...	...	...	...	...	102	97½
Steel of Canada, com.	7	3.64	195½	191	191½	195	722	240	178
Do. pref.	7	3.66	191	190	190	190	105	220	160
Milling, Foodstuffs and Merchandising—									
Alta. Pa. Gr., c. (n.p.)	.	...	60	58½	59	59⅛	130	70½	48
Do. pref.	7	7.01	100	99½	99¾	100	113	102	96½
B.C. Packers (n.p.)	.	...	16	15	15	15½	185	17	15
Atlan. Sugar, c. (n.p.)	.	...	18½	18½	18½	18½	215	27½	15½
Do. pref.	.	...	...	...	...	...	...	85½	70
B.C. Fish., c. (n.p.)	.	...	17¾	17½	17¾	18	100	20¼	6¾
Do. pref.	.	...	63	63	63	63	27	77	46
Can. Bak., c. (n.p.)	.	...	...	...	...	...	...	42	37
Do. pref.	7	6.48	108	108	108	105¼	15	108	102½
Can. Bread, c. (n.p.)	$6	3.87	155	155	155	154	10	170	153
Do. pref. (A)	7	5.78	...	...	...	...	...	124	115
Do. pref. (B)	7	6.30	111	110	110	110	63	112¼	106
Can. Canners, c. (n.p.)	.	...	19	18½	19	19	280	23	17
Do. 1st pref.	6	6.52	92¾	91	92¾	91¾	127	94	88½
Do. 2nd pref.	60c	2.72	22	21½	22	21½	455	25	19
Canadian Salt	8	4.77	...	...	...	...	...	170	154
Christie Br., c. (n.p.)	$1.20	1.41	...	...	...	...	...	131½	79½
Cuban Can. Sugar, c.	.	...	...	...	...	...	...	3½	1½
Do. pref.	.	...	...	...	...	...	...	30	23
City Dairy, c. (n.p.)	$2	3.60	56	55	55	56	281	60	41⅜
Do. pref.	7	5.56	...	...	...	...	...	130	121
Dom. Stores (n.p.)	$3	2.50	120	117	117	120	300	137	104½
Fanny Farmer	$1	2.85	...	...	...	...	...	41	35
Ham. Dairies, c. (n.p.)	.	...	42	42	42	44	5	50	35
Do. pref.	7	6.82	102½	102½	102¼	102½	6	106	102
Hunts, Ltd., c. (n.p.)	$1	2.56	39	39	39	39	53	46	37
Do. pref.	7	7.00	100	100	100	101	10	102	98¼
Inter. Milling, pref.	7	6.42	110	109	109	110	32	111	107½
L. of Woods, c. (n.p.)	$3.20	5.82	55⅜	54	54	55	1156	61¾	51
Do. pref.	7	5.73	...	...	...	...	...	125	120
L. Secord, c. (n.p.)	.	...	46½	44	46½	43½	176	48	37
Do. pref.	7	5.10	137	137	137	135	13	145	121
Loblaw, c. (n.p.)	$2	2.26	88½	87	87	88	103	118	75
Do. pref.	7	5.18	135	135	135	135¼	5	175	133
Maple Leaf Mill, c.	.	...	101	100	101	105	120	128⅜	100
Do. pref.	7	6.14	114	113	113	112	10	115	103
Muirheads, c. (n.p.)	60c	6.66	9	8½	8⅞	9	66	16½	8
Do. pref. (p. $10)	75c	5.76	...	...	...	...	...	17½	13
Nat. Grocers, pref.	8	8.16	98	97	98	97	137	100	97
Ogilvie Fl., c. (n.p.)	$5	1.25	...	...	...	...	...	425	385
Do. pref.	7	5.38	130	130	130	130	59	143	130
Pure Gold Mfg. (n.p.)	$2	6.72	29¾	29	29	29⅞	110	30	22
Shred. W., c. (n.p.)	$3	4.76	63½	62½	63	63¼	455	78⅛	62½
Stanfords, c. (n.p.)	$1	8.33	...	...	...	...	...	27¼	10
Do. pref.	7	7.84	89¼	89¼	89¼	91	10	96½	89¼
St. Law. Flour, c.	.	...	...	...	...	...	...	52¼	35
Do. pref.	7	7.29	...	...	...	...	...	96	95
Viau Bisc., c. (n.p.)	.	...	...	...	...	...	...	33	15
Do. pref.	7	8.04	87	87	87	87	35	89	84
W. Can. Fl., c. (n.p.)	$1.40	3.70	36	36	36	38	25	50	31½
Do. pref.	6½	6.19	105	104¼	105	105	50	109⅝	104
W. Groc., c. (n.p.)	$1	4.54	22	20	20	20	11	25	19
Do. pref.	7	8.14	86	84	84	86	10	86	75
Weston, com.	.	...	69	68	68	67	75	69	48
Do. pref.	7	6.86	102	102	102	102	10	104	100
Utilities—									
Bell Telephone	8	4.85	165	160	164	164⅞	456	175	154
Calgary Power	5	4.46	...	...	...	...	...	112	100
Consumers Gas	10	4.97	201	200	200	202	230	210	196
East Koot. Pr. (n.p.)	.	...	...	...	...	...	...	27	25
Do. pref.	7	6.96	...	...	...	...	...	100½	98
Int. Util. (A) (n.p.)	$3.50	7.52	47	45½	46	46¼	640	51½	44
Do. (B) (n.p.)		...	16⅝	16	16	16	1362	19½	6½
Jamaica Pub. Ser., pf.	7	6.25	...	...	...	...	...	115	105
Laurentide Power	5	1.98	...	...	...	...	...	275	130
Mackay, com.	7	5.83	123	120	123	120	20	133	109½
Do. pref.	4	5.26	...	...	...	...	...	83	66
Mexican Light, c.		...	...	...	...	...	...	112	61½
Do. pref.	7	...	79	79	79	78½	15	80	77
Mont L H & P (n.p.)	$2	1.88	108	106	107	106	1393	120	89
Mont. Teleg. (p. $40)	8	5.81	55	54¼	54¼	54¼	6	56½	53¼
Nor. Mex. Pr., c.	4	4.65	86½	86	86	88	206	110	80
Do. pref.	7	7.00	100	100	100	101	10	105	97
Ot. & Hull P., c. (n.p.)	.	...	...	...	...	...	...	70	35
Ott. L. H. & Pr., c.	6	4.58	...	...	...	...	...	136	128½
Do. pref.	6½	6.19	105½	105	105	106	116	109	103½
Power Corp., c. (n.p.)	.	...	72	71	71½	72	2816	98	65½
Do. pref.	6	5.88	102	101	102	102	24	103½	99
Quebec Power, c.	$2	2.29	88	86	86½	88	2213	115	82
Shawinigan (n.p.)	$2	2.19	92	90¼	90¾	92	5664	109¾	84
S. Can. Pr., c. (n.p.)	4	2.70	148	148	148	145	15	180	114
Do. pref.	6	5.50	109	108	108½	108¼	43	109½	100
West Koot. Pr., pref.	7	...	...	...	...	...	...	106½	106½
Transportation—									
Can. Pacific Rly.	10	4.91	204½	202	202	201½	64	221	198
Can. Steam., c. (n.p.)	.	...	35	35	35	37	45	47½	31
Do. pref.	6	6.36	95⅛	94	94½	95⅛	917	98½	89
Do. Voting	.	...	...	...	...	...	...	45	31
Tractions—									
Barcelona (par $50)	$1	...	...	...	...	...	...	78	60
Brazilian, com. (n.p.)	$1.76	3.15	56⅛	55	55¼	56½	20682	64½	50½
Do. pref.	6	3.00	...	...	...	...	...	220	160
Detroit Un. Rly.	.	...	...	...	...	...	...	2½	1
Duluth-Superior	.	...	10	9	9½	8¼	109	22	7
Montreal Trams.	10	5.00	...	...	...	...	...	212	190
Ottawa Traction	.	...	70	70	70	70	20	73	60
Porto Rico Rlys., c.	$3	...	...	...	...	...	...	x70⅜	59
Do. pref.	7	7.03	99½	99½	99½	101	8	101	97
Twin City, c.	4	8.88	45⅛	44	45	45	355	55	42
Do. pref.	7	6.79	...	...	...	...	...	106	102¾
Winnipeg Elec., c.	2	1.80	115	110¼	111	116	2152	128¾	98
Do. pref.	7	6.36	110	109½	110	109½	134	115	105½
Textiles—									
Can. Conn. Cbt., pref.	4	5.00	...	...	...	...	...	88	66
Can. Converters	7	6.50	106½	105	106½	106	105	127	101
Can. Cotton, com.	8	6.66	...	...	...	...	...	152	120
Do. pref.	6	5.94	102	100	102	101	42	104½	98½
Can. Woollens, com.	.	...	...	...	...	...	...	25	10
Do. pref.	.	...	...	...	...	...	...	89¼	72
Cosmos Imp., c. (n.p.)	.	...	20¾	19	20½	22½	750	27½	17
Do. pref.	7	7.07	100	99	99	99½	155	101	97
Dom. Tex., c. (n.p.)	$5	4.76	107	105	105	106	155	134½	103¾
Do. pref.	7	5.60	125	124	125	124	44	131	118
Monarch Knit, c.	.	...	...	...	...	...	...	x39½	7½
Do. pref.	.	...	...	...	...	...	...	70	45¾
Montreal Cottons, c.	6	5.21	115	115	115	115	150	128	115
Do. pref.	7	5.83	120	120	120	120	200	125	118
Penmans, c. (n.p.)	4	3.81	102½	102½	102½	105	20	117⅞	97½
Do. pref.	6	5.68	...	...	...	...	...	106½	100
Wabasso Cot. (n.p.)	6	5.71	105	105	105	105	25	133	105
Zimmerknit (n.p.)	.	...	20	20	20	20	55	30	18
Do. pref.	7	7.73	90½	90½	90½	93½	47	94½	91
General Industries—									
Am. Sales, c. (p. $25)	4	5.19	77	74	77	78	298	82	71
Do. pref.	7	6.36	...	...	...	...	...	112	105
Asbestos Co., c. (n.p.)	.	...	30½	30	30½	30	1036	39¼	29
Do. pref.	7	7.60	92½	91	91	92¼	281	97⅜	90
Brant. Cd., c. (p. $25)	8	10.25	19½	18½	19	19	190	21	14
Building Prod., com.	$1.20	3.52	34½	34	34	34	105	47	32½
Do. pref.	7	6.66	...	...	...	...	...	106	102½
Burt, F. N., c. (p. $25)	$3	4.44	68	67	67½	68	140	76	63
Canada Cement, c.	.	...	30	28	28	30	3401	35¾	25
Do. pref.	6½	6.53	100	99	99¼	99½	397	101¼	97½
Can. Bronze, c. (n.p.)	$4	4.49	89	87	87	87	230	93⅞	67
Do. pref.	7	6.33	110½	110½	110½	110½	5	111½	109½
Can. Dredge, c. (n.p.)	.	...	49½	46	49	49	900	55	31
Do. pref.	7	4.73	148	145	145	148	97	153	108
Conduits, c. (n.p.)	.	...	...	...	...	...	...	15	15
Do. pref.	7	6.89	...	...	...	...	...	102	101
C. Smelt. (p. $25)	10+40	5.00	253½	251	250	250¼	2175	289½	250
Crow's Nest Coal	6	10.34	60	60	60	58	10	62	55
Dom. Glass, c.	7	5.38	130	128	130	130	54	144	125
Do. pref.	7	5.78	125	125	125	121	25	128	119
Dom. Rubber, pref.	7	7.00	...	...	...	...	...	100	99
E. Theat., (p. $25)	$2	7.40	27	27	27	28	20	30¾	25
Do. pref.	7	7.44	95	94	95	95	20	100	94
Fam. Play., c. (new)	.	...	23	22	22	23	335	24	21
Do. pref.	8	7.58	...	...	...	...	...	106	102
Gilman, com.	6	5.21	...	...	...	...	...	120	109
Do. pref.	7	5.51	127	127	127	125	20	130	118
Goodyear Tire, com.	$5	3.49	143	143	143	140	25	168	128½
Do. pref.	7	6.51	108	107	107½	108	146	110	104
Gypsum & Alabas., c.	$3	4.59	65½	65	65	67	995	73	51
Ham. Un. Theatres, c.	.	...	14½	13	14½	13¾	441	21½	7
Do. pref.	7	7.60	...	...	...	...	...	97½	82
Holt, Renfrew, c.	$3	2.72	...	...	...	...	...	120	80
Do. pref.	7	7.00	...	...	...	...	...	100	92
Int. Nic., c. (p. $25)	$2	2.16	94¼	90½	92¼	89	26119	103¾	73¾
King Edward Hotel	$6	9.52	65	62	65	62	190	70	50
Lyall Construc. (new)	$3	4.47	68½	64	65	69	1165	76	55
Loew's, com.	.	...	...	...	...	...	...	40	30
Do. pref.	7	7.60	97	92	92	100	25	102	92
National Brick, com.	.	...	8	8	8	8	100	9	4
Do. pref.	6	9.09	70	68	70	66	102	75	60
Pacific Burt, com.	6	5.12	...	...	...	...	...	137	110
Do. pref.	7	5.69	123	123	123	123	5	136	120
Photo Engrav. (n.p.)	$2	5.55	36½	35½	36½	38	100	41¼	33
Port Hope San., com.	4+2	2.66	225	225	225	225	10	265	190
Do. pref.	7	4.24	...	...	...	...	...	195	120
Rogers, Wm., com.	4	5.71	70	68	68	70	21	75	65
Do. pref.	7	6.60	106	106	106	105	5	106	100
Sher-Williams, com.	6	3.75	...	...	...	...	...	181	160
Do. pref.	7	5.46	...	...	...	...	...	129	120
Simon & S., c. (n.p.)	.	...	36	35½	35½	36	50	45	35
Do. pref.	7	7.03	99½	99½	99½	99½	40	101¾	99½
Standard Chem., com.	$2	6.34	27	27	27	27	5	34	24
Sterling Coal	.	...	13	13	13	15	15	19	13
Tooke Bros., com.	.	...	15	15	15	15	20	20	15
Do. pref.	7	10.29	68	68	68	72	40	78	67
Tuckett Tobacco, c.	4	3.63	110	110	110	110	10	110	98
Do. pref.	7	5.93	119	117½	117½	120	90	121	114
Woods Mfg., com.	.	...	...	...	...	...	...	38	30
Do. pref.	7	8.75	...	...	...	...	...	80	70
Beverage—									
Brading Brew. (n.p.)	$2	7.01	...	...	...	...	...	32	26½
Brew. & Distil. (n.p.)	40c	...	16	16	16	16	60	20	14
Can. Brew. (n.p.)	$2	6.25	33	30½	30½	32	95	40	29
Canada Dry (n.p.)	$3	...	73	71	71	73½	440	87	63¾
C. Ind. Alc. (n.p.)	$1.52	3.70	42¾	40½	41	41⅞	2993	50½	31½
Do. (B)			39	38	38¼	36	567	47½	36
Can. Malting (n.p.)	$1.50	4.34	34½	33¾	34	34½	746	43½	31¾
Can. Wineries	.	...	16½	15	15½	16½	385	23	14
Carling Brew. (n.p.)	$2	6.66	32	29	29½	30	375	44	28½
Com. Alc. (n.p.)	$1	4.04	...	...	...	...	...	55½	19¾
Cosgrave B. (p. $10)	6	8.00	7¾	7½	7½	8	865	10½	7½
Distil-Seagram (n.p.)	.	...	17¾	16½	17½	18	1780	24½	16½
Federal Distil. (n.p.)	.	...	2½	2¼	2½	2⅞	425	5½	2¼
Chas. Gurd, c. (n.p.)	$2	2.35	86	84	84	87	140	114	81
Do. pref.	7	6.36	...	...	...	...	...	110	106
Hiram Walker (n.p.)	$2	3.57	56	55	55	56¾	2841	69	54
L. Ont. Brew. (n.p.)	.	...	12	10	12	10½	220	30	10
Nat. Brew., c. (n.p.)	4	3.21	126	124	124⅛	126½	1660	140	112½
Do. pref.	7	5.38	130	130	130	130	5	130	122
Nat. Distilleries	.	...	15	12	12½	15	900	20¾	10
Orange Cr., c. (n.p.)	.	...	20	20	20	20	20	25¾	20
Do. pref. (A)	7	6.78	103¼	103¼	103¼	104	5	106	102½
Do. pref. (B) (n.p.)	$2	4.70	42½	42½	42½	43¼	25	51	42½
Pelissiers (n.p.)	.	...	15½	15	15	15½	175	18½	13
Do. pref.	7	7.00	...	...	...	...	...	103	100
Toronto Brew. (n.p.)	.	...	8	8	8	9	50	10½	8
Canada Dry, Rights	.	...	1.50	1.00	1.25	1.00	957	2.00	1.00
Oil—									
Ajax	.	...	.76	.58½	.69	.60	126900	1.00	.43
Beacon Oil	.	...	...	...	...	...	...	20	13¼
Brit. Am. Oil (n.p.)	$1	2.70	37⅝	36¾	37⅜	37¾	3475	42¼	31¾
Can. Oil, c. (n.p.)	$1	2.00	50	50	50	50	120	68½	44
Do. pref.	8	6.06	...	...	...	...	...	170	128
Continental Oil	.	...	...	...	...	...	...	22	17
Foothills Oil	.	...	3.75	3.75	3.75	3.75	25	6.35	1.50
Home Oil	.	...	3.25	2.75	3.00	3.25	3325	4.00	2.15
Imperial Oil (n.p.)	$1.50	2.27	67½	65⅛	65⅛	66	3199	72½	56
Int. Pete. (n.p.)	75c	1.92	39	38¼	38¼	39	1055	44⅞	34½
McColl, c. (n.p.)	.	...	30	29	29	29¾	2018	36	28
Do. pref.	6	6.90	88½	87	87½	87	35	96	85
North Star, c. (p. $5)	.	...	4.75	4.75	4.75	4.00	1100	5.00	2.25
Do. pref. (p. $5)	6	...	...	...	...	...	...	6.50	5.00
Petrol Oil	.	...	...	...	...	...	...	21⅞	14
Super Pet., c. (new)	.	...	32½	31	31½	32	2330	39	30
Do. Rights	.	...	60	55	55	50	1802	60	50
Do. pref.	7	6.93	101	101	101	100	80	105	97
Trojan Oil	.	...	1.75	1.60	1.60	1.95	800	2.50	1.00
Volcanic Oil	$1.45	...	38	37½	38	37¾	166	41	29
Vacuum Gas	.	...	7	7	7	8¼	2000	12½	5½
Trust and Loan—									
Can. Permanent	12	4.87	246	245	246	246	4	251	230½
Central Canada	12+6	...	...	...	...	...	...	255⅛	255⅛
Col. Invest. (p. $10)	.	...	...	...	...	...	...	5	3
Econ. Invest. (p. $50)	4	3.57	56	56	56	55½	60	61	55½
Huron & Erie	8	4.70	...	...	...	...	...	170	152
Landed Banking	10	4.92	...	...	...	...	...	205	200
Mont. Loan (p. $25)	12+1	6.56	...	...	...	...	...	49½	48
National Trust	12+1	3.64	...	...	...	...	...	370	305
Ont. Loan (p. $50)	12	4.44	135	135	135	140	3	140	128
Real Estate Loan	7	6.08	...	...	...	...	...	115	110
Toronto Gen. Trusts	12	4.25	...	...	...	...	...	300	275
Toronto Mge. (p. $50)	12	4.87	...	...	...	...	...	123	114
Union Trust	7+1	5.51	...	...	...	...	...	150	135
CURB AND UNLISTED MARKETS									
Asch, com. (no par)	.	...	...	...	...	...	...	30	22
Do. pref.	7	8.04	...	...	...	...	...	93	87
Attendu Eng. (p. $1)	.	...	12½	11	11	11	313	21	10
Belding, com.	7	6.36	...	...	...	...	...	110	80
Do. pref.	7	6.36	110	110	110	110	25	110	94
Bruck Silk Mills (n.p.)	.	...	33	30⅛	33	...	25	33	30⅛
Can. Celanese (n.p.)	.	...	53	45½	45½	53	270	78	45½
Do. pref.	.	...	85	83	85	85	65	103½	83
Can. Vickers (n.p.)	.	...	37½	37	37½	38	65	49⅛	33
Do. pref.	7	7.36	95	95	95	95	10	96½	93
Can. Power	.	...	37½	37	37	35	3	54¾	33
Can. Light & Power	.	...	...	...	...	...	...	49	39
Can. Marconi	.	...	...	...	...	...	...	8¾	6¼
Can. Nor. P., c. (n.p.)	.	...	81	81	81	81	50	90	69
Do. pref.	7	6.48	108	107½	108	107	32	108	100
Can. Vinegar	.	...	27¼	27	27	27	410	27½	27
Cockshutt, com.	.	...	25½	24½	24¾	25	946	31½	24½
Do. pref.	.	...	...	...	...	...	...	143½	105¾
Cons. Food Products	.	...	8½	6½	8½	9	204	14½	5
Cons. Sand, c. (n.p.)	.	...	11	11	11	11	10	12	11
Do. pref.	7	7.95	88	88	88	88	145	90	88
Cooksville Sh. Brick, c.	.	...	...	...	...	...	...	14	14
Do. pref.	4	...	...	...	...	...	...	60	55
Dom. Engineering	$3	3.82	79½	78½	78½	79	595	84	52
Dom. Fdy. & Steel, c.	.	...	...	...	...	...	...	20	5
Do. pref.	.	...	...	...	...	...	...	42	32
Donnacona	.	...	...	...	...	...	...	47	25
Dom. Power, c.	.	...	...	...	...	...	...	66	45
Do. pref.	7	6.57	106	106	106	106	5	106⅜	105
Dryden Paper (n.p.)	.	...	41	40	41	41	940	56	33
Durant Motor (p. $10)	40c	4.13	8	7	7	7¾	142	10¼	6
E. Dairies, c. (n.p.)	.	...	44	42	42	44	260	60¾	42
Do. pref.	7	6.86	...	...	...	...	...	102	99
Eng. Elec., c. (n.p.)	.	...	24	23½	23½	23½	44	31	11
Do. pref.	.	...	96	96	96	96	3	112	75
Farm. Dairy, c.	50c	2.12	23½	22	23½	23	20	27	17
Do. pref.	7	6.36	...	...	...	...	...	110	105
For. Pr. Secs. (n.p.)	.	...	40½	38	38	40	333	56¼	38
Gt. West Sad., c. (n.p.)	.	...	22¾	22	22¾	22½	230	29½	21
Do. pref.	6½	6.77	...	...	...	...	...	99¾	96
Gen. St. Wares (n.p.)	.	...	30	27½	27½	30	721	38¾	27½
Do. pref.	7	6.86	...	...	...	...	...	102	101
Freiman, c. (n.p.)	.	...	...	...	...	...	...	20	19¾
Do. pref.	6	6.66	...	...	...	...	...	90	90
Hamilton Cot., pref.	$2	5.97	33½	33½	33½	33½	5	39	30½
Hinde & Dauch (n.p.)	$1	3.84	26	26	26	27	10	33	26
Hydro-Electric (n.p.)	.	...	35	28⅝	31½	34½	1290	85	28⅝
Illinois Power, pref.	7	6.73	...	...	...	...	...	106	99¼
Imp. Tob., c. (p. $5)	6+2	3.63	11¼	10½	10⅞	10½	4637	11⅜	8⅛
Inter. Power, com.	.	...	33	33	33	32	20	43¼	32
Do. pref.	7	7.10	99	98½	98½	97	2097	101⅛	95½
Kemsley Millburn	.	...	...	...	...	...	...	20	15⅝
Loew's London, com.	3	...	4	4	4	5⅛	7	5¾	4
Man. Power (n.p.)	$2	2.10	95	91	92	91	55	123½	83
Mercury Mills (n.p.)	.	...	40	40	40	40	2	41	35
Do. pref.	6	6.66	...	...	...	...	...	26	90
Mitchell, J. S.	.	...	47½	47½	47½	50¾	2	55	38
Do. pref.	7	6.79	...	...	...	...	...	105	99½
Mitchell, Robt. (n.p.)	.	...	28	28	28	28	10	40½	27
Do. pref.	7	6.54	...	...	...	...	...	110	95
Montreal Ex. (p. $30)	.	...	25	22½	25	22	49	36	22
Mount Royal, com.	.	...	...	...	...	...	...	x6	3
Do. pref.	6	...	...	...	...	...	...	x52	50
Municipal Ser. (n.p.)	.	...	10	9	9	10½	45	17	8
Ott. Riv. Pr. (n.p.)	.	...	...	...	...	...	...	38	25
North Bak. (n.p.)	$2	4.93	41	40	41	41	1073	54	38
N.S. Car, c. (n.p.)	.	...	39	37½	37½	39	785	49	36½
Paton Mfg., c. (n.p.)	.	...	...	...	...	...	...	68	55
Do. pref.	.	...	...	...	...	...	...	103	102
Perfection Glass	.	...	2¾	2½	2¾	2¾	425	8¾	2
Regent Knitting	.	...	21	21	21	20	55	33	20
Reliance Grain (n.p.)	.	...	52	44	45	46	140	55	38
R.S. Mills (n.p.)	$2	6.06	33	32½	33	33	90	39	30¾
Robinson Cone (n.p.)	.	...	23	23	23	24	25	34½	23
E. L. Ruddy, pref.	7	7.00	...	...	...	...	...	102	97½
Service Stn. Equip.	$1.60	4.38	37	36	36	37	325	48	33¾
Simpson, Robt., pref.	6	5.70	...	...	...	...	...	105¼	102
Sprucolite (n.p.)	.	...	...	...	...	...	...	59	40½
Standard Clay (n.p.)	.	...	...	...	...	...	...	34½	33
Standard Pav. (n.p.)	$1.50	5.26	28½	26	27½	27	2264	29¼	26
Tamblyn, c. (n.p.)	.	...	30	28½	28½	29¼	15	36¼	21
Do. pref.	7	7.29	96	96	96	96	10	97	90
Tip Top Tailors (n.p.)	.	...	30	30	30	30	177	32¼	30
Do. pref.	7	7.14	98	98	98	98½	125	100	98
United Fuel, c. (n.p.)	.	...	28	27	27	27	128	36	25
Do. pref.	6	6.85	87½	86	87½	88	110	93	86
United Secs., com.	.	...	...	...	...	...	...	64½	50
Do. pref.	6	5.72	104½	104	104	104	156	105	100
Waterloo Mfg.	$1	5.55	18	16½	17½	17	450	20	16

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Bond Movements of the Week

Week Ending July 24

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	Latest Price High	Latest Price Low
Asbestos, gen. mge.	6	1956	6.15	98	88	98⅛	97	97½	96½	98⅛	98
Can. Canners	6	1950	5.85	102	96½	103	101½	..	102	101¾	..
Can. Pr. & Pap. debs.	5½	1956	6.18	..	..	99½	90	91	..	91	90
Dom. Coal	5	1940	5.22	94¾	90	99½	95	..	98	98	..
Montreal Tram. 1st mtge.	5	1941	4.94	101	96⅜	103¼	99	100¾	99¼	100½	..
Do. gen. mtge. A	5	1955	5.08	100	94	101¼	98½	99¾	98½	99	98½
Ogilvie	6	1932	5.29	104⅞	103¾	103	102½	102½	102½	102½	..
Quebec Rly.	5	1939	4.42	101½	96	105	100¼	104⅝	..	105	104⅝
War Loan	5	1931	4.46	102.70	101	102.85	101.45	102.15	101.60	101.50	101.45
Do.	5	1937	4.38	106.95	102.95	106.70	104.00	105.10	104.45	104.45	....
Victory Loan	5½	1933	4.75	106.90	103.05	106.50	103.00	103.35	103.30	103.35	103.15
Do.	5½	1934	4.96	105.75	102.80	105.85	102.15	102.75	102.65	102.85	102.60
Do.	5½	1937	4.34	111.15	106.85	110.95	107.80	109.00	108.70	108.70	108.50
Do., Refund	5	1928	5.00	101.50	99.75	100.60	99.63	100.30	99.80	99.80	....
Do.	4½	1940	4.55	103.40	96.50	102.90	99.05	99.65	98.90	99.70	99.50
Do.	5	1943	4.67	106.40	102.30	106.10	103.00	103.70	102.90	103.65	103.00
Do.	4½	1944	4.54	103.00	96.60	103.05	99.00	100.05	99.70	99.45	....
Do.	4½	1946	4.41	102.70	96.70	103.15	100.15	101.30	100.40	101.00	100.35
Do. Renewal	5½	1932	4.93	104.40	101.85	105.80	101.40	102.15	101.90	101.90	101.60

A. J. Pattison, Jr. & Co.
LIMITED
INVESTMENT BANKERS
BONDS AND SHARES
"Specialists Unlisted Bonds and Stocks"
219 Bay Street, (Ground Floor) Toronto
Elgins 0101-0102-0103 0104-0105-0106

Unlisted Stocks

These approximate prices are mostly as at July 23, and as most transactions in unlisted stocks are the result of personal negotiations, these figures cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	55.00	....
Border Cities, pfd. bonus c.	....	24.00
Brandram-Henderson, com.	27.00	31.00
Brandram-Henderson, pref.	86.00	91.00
Canadian Westinghouse	241.50	....
Canada Machinery, com.	6.00	9.00
Canada Machinery, pref.	29.00	33.00
Can. Paperboard, pref.	90.00	95.00
Caulfields Dairy, com.	20.00	25.00
Copeland Flour Mills, pref.	20.00	....
Dom. Alloy, pf. bonus com.	....	2.00
Dom. Foundries & Steel, c.	12.00	19.00
Dom. Foundries & Steel, pf.	51.00	57.00
Dom. Linens, pref.	16.00	....
Dom. Manufacturers, com.	6.00	....
Dom. Manufacturers, pref.	70.00	....
Dom. Power, com.	....	50.00
Dom. Power, pref.	105.00	....
Dom. Sewer Pipe, com.	63.00	65.00
Dom. Sugar com.	34.00	40.00
Dom. Sugar, pref.	96.00	....
Dunlop Tire, pref.	101.50	....
Gillett, E. W.	84.50	....
Goodyear Cotton, 7% pref.	101.50	104.00
Guardian Realty, pref.	60.00	67.50
Harding Carpet, com.	22.25	....
Heuthers Brewing, pref.	....	3.00
Honey Dew, com.	27.00	....
Honey Dew, pref.	....	89.50
King Edward Hotel "A"	87.50	89.50
King Edward Hotel, "B"	84.00	86.00
Kingston Shipbuilding, pf.	17.00	20.00
Loew's London, com.	4.50	5.50
Loew's London, pref.	8.00	9.50
Loew's Mansfield, pref.	93.00	....
Milton Brick Co.	16.00	....
Palace Thea. (Mont.) pfd.	95.00	....
Simpson, Robt., pref.	105.00	....
Traymore, pref	19.00	21.00

Insurance

	Bid	Asked
British America	55	..
Canadian Fire, full pd.	125	135
Canada Life	975	1000
Canada National	15	..
Casualty of Canada, full pd.	190	200
Capital Life, 20% pd.	26	..
Continental Life, 10% pd.	88	..
Commonwealth Life, 10% pd.	32	37
Commercial Life, 10% paid	20.50	26.00
Confederation Life, 10% pd.	120	..
Crown Life, full paid	335	..
Dom. of Can. Guar. & Ac.	375	400
Dominion Fire	140	...
Dominion Life, 50% pd.	440	...
Excelsior Life, 30% pd.	125	...
Federal Fire, 25% paid	42	...
Fidelity of Canada, full paid	145	..
Great West, full paid	590	...
Imperial Life, 90% paid	435	..
Manufacturers Life, 55% pd.	400	450
Monarch Life, 10% paid	47	51
Montreal Life, 20% paid	77	85
National Life, 25% paid	95	105
Ontario Equitable, 10% paid	40	44
Security Life, 50% paid	25	...
Sovereign Life, 25% paid	50	57
Sun Life, 75% paid	2300	2400
Toronto Casualty	..	26
Western Assurance	75	80

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	$207.00	$ ....
Capital Trust	70.00	....
Chartered Trust	104.00	109.00
Commercial Finance, com.	20.00	....
Commercial Finance, pfd.	77.00	....
Crown Trust	135.00	....
Debentures & Sec., com.	73.00	....
Debentures & Secs., pref.	73.00	....
Guelph & Ont. Invest.	130.00	....
Lambton Loan & Savings	80.00	....
London Loan & Savings	48.00	....
London & West Trusts	146.00	....
Mfg. Fn. pfd. bonus c.	....	3.25
Midland Loan & Savings	17.00	....
Mortgage Discount, pref.	6.75	7.50
Mortgage Discount, com	.40	.80
Mutual Finance, com.	8.15	....
Mutual Finance, pref.	8.15	....
Peoples Loan & Savings	82.00	....
Sterling Trust Co.	102.00	....
Toronto Finance, pref.	2.00	4.00
Waterloo Trust & Savings	120.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 25.00	$ 35.00
Lakeview Golf	45.00	70.00
Lambton Golf	....	400.00
Mississauga Golf	20.00	40.00
Rosedale Golf	170.00	....
Summit Golf	30.00	45.00
Thistledown Golf	45.00	65.00
Thornhill Golf	65.00	80.00
Weston Golf	80.00	100.00
York Down Golf	240.00	285.00

Recent London Quotations

	Sales
Calgary Power	117½.
Hudson's Bay	118s. 9d.
Hudson's Bay 5% pref.	98s. 1½d.
Can. West Lumber	5s. 10½d.
Standard Chemical, 7%	31½
Dominion Tar	51s.
Mond Nickel	197s.
Lake Superior	6

Recent Vancouver Quotations

	Bid	Asked
B. C. Telephone, pfd., new 6%	104½	..
Pacific Coyle, com.	10½	13
Gosse Packing, pref.	....	80

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	110	..
Home Invest. and S. Assn.	76	78¼
N. Mtge., fully paid	80	..
N. Mtge. 50% paid	25	..
Northern Trusts Co.	50	..
Standard Trusts Co.	33	..
No. Star Oil, com.	4.90	..
No. Star Oil, pref.	...	5.55

Dividends Declared

	Rate	Date	Record
Pressed Metals, pref.	1¾%	Oct. 1	Sept. 11
Do., pref.	1¾%	Jan. 1, '29	Dec. 12
Durant Motors	10c.	Sept. 30	Sept. 15
Do.,	10c.	Dec. 31	Nov. 15
Stand. Chemical, c.	$1.00	Sept. 1	July 31
Int. Utilities, pfd.	$1.75	Aug. 1	July 18
East. Theatres, pfd.	3½%	July 31	June 30
Teck-Hughes	10+20c.	Aug. 1	July 17
Brewers & Distil.	5c.	Aug. 1	July 5
Christie Brown	30c	Aug. 1	July 16
Imperial Bank	3%	Aug. 1	July 16
Granby Cons.	$1	Aug 1	July 13
Can. Bronze, com.	$1	Aug. 1	July 16
Do., pfd.	$1.75	Aug. 1	July 16
Inter. Paper, c.	60c.	Aug. 15	Aug. 1
Penmans, c.	$1	Aug. 15	Aug. 6
Do., pfd.	1½%	Aug. 1	July 21
Steel of Can., com.	1¾%	Aug. 1	July 7
Do., pref.	1¾%	Aug. 1	July 7
Inter. Nickel, pfd.	1½%	Aug. 1	July 12
Enamel & Heating, c.	50c.	Aug. 1	July 14
Belding Cort., c.	3½%	Aug. 1	July 14
Do., pref.	1¾%	Sept. 15	Aug. 31
For. Pr. Secs. pfd.	1½%	Aug. 15	July 31
Hamilton Bridge, 1st pfd.,	1⅝%	Aug. 1	July 14
Stanford's 1st & 2nd pfd.	1¾%	Aug. 1	July 15
Manitoba Pr.	$1	Aug. 1	July 10
South Can. Pr.	$1	Aug. 15	July 31
Winnipeg Elec., c.	$1	Aug. 1	July 10
Weston, Geo., pfd.	1¾%	Aug. 1	July 20
Amer. Salesbook, pf.	1¾%	Aug. 1	July 16
Mercury Mills, pfd.	1½%	Aug. 1	July 14
Royal Bank	3%	Sept. 1	July 31
Russell Motor, c.	2%	Aug. 1	July 19
Do., pref.	1¾%	Aug. 1	July 19
Brazilian c.	44c.	Sept. 1	July 31
East. Theatres, c.	50c.	Sept. 1	July 31
Paramount Thea., pfd.	1¾%	Aug. 15	June 31
Wright Har.	2½c.	Aug. 1	July 16
Bk. of Toronto	3%	Sept. 1	Aug. 15
Zimmerknit, pfd.	1¾%	Aug. 1	July 20
Massey Harris, pfd.	1¾%	Aug. 15	July 28
Blue Ribbon, pfd.	1⅝%	Aug. 1	July 15
Standard Bank	3%	Aug. 1	July 16
Can. Foundries, pfd.	x1½%	Aug. 1	July 15
Can. Vickers, pfd.	1¾%	July 31	July 14
Chase, A. W., pfd.	2%	Aug. 10	July 31
Bk. of Montreal	3%	Sept. 1	July 31
Ont. Steel Prod., c.	40c.	Aug. 15	July 31
Do., pref.	1¾%	Aug. 15	July 31
Bk. of Commerce	3%	Sept. 1	Aug. 16
Stand. Paving	37½c.	Aug. 15	July 31
McIntyre Mines	5%	Sept. 1	Aug. 1
Wood, Alex. & James, pfd.	1¾%	Aug. 1	July 21
Hollinger Mines	2%	Aug. 11	July 25
Can. Dredge, pfd.	1¾%	Aug. 1	July 16

x On arrears.

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FOREIGN EXCHANGE

New York Funds Premium Normal

Canadian bankers are not disturbed by the modest discount on Canadian currency which has prevailed during the past few weeks. New York was inclined to see something exceptional in the condition which existed and suggested that the matter was a puzzle to Canadian bankers. The latter, however, see nothing exceptional and point out that for the past few years it has been the usual thing for the Canadian currency to be at a discount during the month of July. Charts which they prepare showing the ups and downs of exchange clearly indicate this. Moreover, they do not look for much improvement until the grain starts to move, which will be in about a month. Then the Canadian dollar will creep back to par and gradually move to a premium, in all probability. High call money rates, and the delayed tourist influx, due to adverse weather conditions, were suggested by New York as possible causes, but Canadian bankers do not regard these as the explanation, believing the condition purely a seasonal one.

The rate even now shows signs of coming back and the low point seems to be past. On July 18 it was three-eighths of one per cent., which was twice the theoretical point of three-sixteenths at which time it is more profitable to ship gold. Gold did flow and one shipment of $1,000,000 and another of $2,000,000 are known to have been shipped to New York in the past week. The rate is now around 3/64 and to all appearances the adverse situation is righting itself and in a month or so the rate will likely be favorable again.

NEW YORK FUNDS

	High (Premium)	Low (Premium)	Last year High (Premium)	Last year Low (Premium)
July 19	31-64	13-64	11-64	5-32
July 20	17-64	15-64	11-64	5-32
July 21	1-4	7-32	11-64	5-32
July 23	13-64	3-32	11-64	5-32
July 24	7-64	1-32	11-64	5-32

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
July 19	4.85 15-16	2.91 3-8	5.23 3-4
July 20	4.85 29-32	3.91 3-8	5.28 3-4
July 21	4.85 13-16	3.91 5-8	5.23 3-4
July 23	4.85 11-16	3.91 3-8	5.23 5-8
July 24	4.85 11-16	3.91 3-8	5.23 5-8

FOREIGN EXCHANGE

Par		July 18	July 25
19.30	Italian	5.27	5.24
23.80	German	23.98	23.88
13.90	Belgian	14.00	13.94
49.80	Japanese	45.80	45.65

NEW YORK CURB

	Close July 11	Close July 18	Close July 25
Can. Marconi	6 3-4	6 7-8	6 3-4
Ford Canada	556	535	538
Imp. Oil Can.	65 1-4	65 1-4	65 1-2
Inter. Pete.	38 1-4	38 1-2	38 1-2
Int. Util. "B"	15 1-2	16 5-8	16
Nipissing	3 3-4	3 5-8	3 5-8
Noranda	51 1-4	53	55 1-4
Premier Gold	....	2 3-8	....

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Unlisted Bonds

	Bid
Acadia Sugar, 6s, 1946	95½
Alberta Pac. Grain, 6s, 1946	100
Algoma Steel, 5s, 1962	55½
Bell Telephone, 5s, 1955	102
Belgo Can. Paper, 6s, 1943	102¼
Brandram-Henderson, 6s, 1939	91¼
B. C. Pulp and Paper, 6s, 1950	89
Calgary Brewery, 5s, 1942	98
Calgary Power, 5s, 1940	95
Canada Biscuit, 6½s, 1946	96
Canada Lt. & Pr. 5s, 1949	93¾
Can. Nor. Power, 6s, 1941	105
Can. Paperboard, 7s, 1937	98
Can. Steamships, 5s, 1943	101⅝
Can. Steamships, 6s, 1941	101¾
Davies, Wm., 6s, 1942	97½
East Kootenay Pr., 7s, 1942	104¾
Elec. Development, 5s, 1933	99½
Fraser Cos., 6s, 1950	100½
Gatineau Power, 5s, 1956	98¼
King Edward Hotel, 7s, 1944	97
Lake Superior P. & P. 6s, 1941	107
Laurentian Pr., 6s, 1936	108¾
Laurentide Pr., 5½s, 1951	100½
Manitoba Pr., 5½s, 1951	101
Mont. L. H. & Pr., 5s, 1951	100¾
Mont. Pub. Service, 5s, 1942	99¼
Nor. West Utilities, 7s, 1938	102½
Nova Scotia Steel, 5s, 1959	75
Nova Scotia, 6% Debs.	45¾
Ont. Pulp & Paper, 6s, 1931	106¼
Ottawa Hull Pr., 6s, 1948	102¼
Ottawa L. H. & P., 5s, 1957	99¼
Ottawa Trac., 5½s, 1955	102
Port Alfred P. & P., 5½s, 1957	97½
Price Bros., 6s, 1943	104½
Prov. Lt. Pr., 5s, 1946	101¾
Rio Tramways, 5s, 1935	96
Sao Paulo Tram., 5s, 1929	99
St. Maurice Valley, 5½s, 1957	98
Shawinigan W.&P. 4½s, 1967	94¼
Simpsons, Ltd., 6½s, 1945	103½
Southern Can. Pr., 5s, 1955	101¼
West Kootenay Pr., 6s, 1943	104

Flood Barnes Active Bond Prices

	Price	Rate	Years to Maturity	Next Int. Date	Yield %
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7s, due '47	98½	7	19	Jan. 15	[illegible]
Alberta Pacific Grain 1st S.F. 6's due '46	101¾	6	18	Dec. 1	[illegible]
Argentine Govt. 6's, Series "B" due '58	99¾	6	30	Dec. 1	[illegible]
Asbestos Corp., 1st Ref. S.F. 6's, due '41	103	6	13	Jan. 1	[illegible]
Asbestos Corp. Gen. Mtge. S.F. 6's, due '56	99	6	28	Jan. 1	6.07
Bell Tel. of Can. 1st 5's, Series "B", due '57	104	5	29	Dec. 1	[illegible]
Brazil, United States, Ext. S.F. 6½'s, due '57	96¾	6½	29	Oct. 1	[illegible]
Canada Cement, 1st Mtge. S.F. 5½'s, due '47	102½	5½	19	Nov. 1	[illegible]
Canada Power & Paper Coll., Trust 5½'s, due '58	92	5½	30	Jan. 1	[illegible]
Canada Paper, 1st S.F. 6's, due '45	103	6	17	Dec. 4	[illegible]
Can. Light & Pwr., 1st 5's, due '49	95	5	21	Jan. 1	[illegible]
Can. S. S. Lines, 6's 1st & gen., Series A, '41	102½	6	13	Oct. 15	[illegible]
Can. S. S. Lines Consol. 5's, due '43	103	5	15	Aug. 15	[illegible]
C. P. Rly. Coll. Trust. 5's, due '34	102	5	6	Oct. 15	[illegible]
C. P. Rly. Secured 4½% notes, due '44	100	4½	16	Dec. 15	[illegible]
Can. Goodrich Income 7's, due '43	62	7	15		
Chile Republic Ext. S.F. 6's, due '60	93¾	6	32	Oct. 1	[illegible]
Colombia Repub. Ext. S.F. 6's, due '61	91¾	6	33	Oct. 1	[illegible]
Dom. Iron & Steel Consol. S.F. 5's, due '39 (£)	74	5	11	Sept. 1	[illegible]
Donnacona Paper Co. 1st S.F. 5½'s, due '48	99	5½	20	Aug. 1	[illegible]
Donnacona Paper Co. 6's Debentures, due '48	100	6	20	Aug. 1	[illegible]
Duke Price Power S.F. 6's, Series "A", due '66	106	6	38	Nov. 1	[illegible]
Fraser Companies, 1st S.F. 6's, due '50	103½	6	22	Jan. 1	[illegible]
Fraser Companies 6½'s Debentures, due '42 (Cum. Stock Rights)	107	6½	14	Oct. 1	[illegible]
French Line Ext. S.F. 6½'s, due '51	101½	6½	23	Aug. 15	[illegible]
French National Mail S.S. Ext. S.F. 6's, due '52	99½	6	24	Nov. 1	[illegible]
Gen. Steel Wares, Ltd., 1st mtge. S.F. 6's, due '52	102	6	24	Nov. 1	[illegible]
Gatineau Power, 1st 5's, due '56	99½	5	28	Dec. 1	[illegible]
Gatineau Power S.F. Debs. 6's, due '41	102	6	13	Dec. 15	5.73
Hydro-Elec. B'd & Sh. Corp. Coll. Trust S.F. 5's, due '47	97½	5	19	Nov. 1	5.20
Manitoba Power 1st S.F. 5½'s, due '51	104½	5½	23	Jan. 1	5.15
Massey-Harris Co. 1st Mtge. 5's, due '47	98	5	19	Oct. 15	5.17
Mtl. Coke & Mfg. 1st S.F. 5½'s, Series A, due '47	103	5½	19	Dec. 1	5.23
Mtl. L.H.&P. 1st Ref. & Coll. Trust 5's, Series A, due '51	102½	5	23	Oct. 1	[illegible]
Mtl. Tram. 1st Coll. Trust 5s, Series A, due '41	101	5	13	Jan. 1	4.90
Mtl. Tramways Gen. & Ref. 5's, Series "A", due '55	99¾	5	27	Oct. 1	5.00
Nova Scotia Coal & Steel 1st S.F. 5's, due '59	76	5	21	Jan. 1	...
Northwestern Utilities, 1st S.F. 7's, due '38	104	7	10	Dec. 1	6.45
Port Alfred Pulp & Paper 1st S.F. 5½'s, due '57	100	5½	19	Nov. 1	[illegible]
Price Bros. 1st S.F. 6's, Series A, due '43	106¾	6	15	Aug. 1	[illegible]
St. Law. Paper, 1st S.F. 6's, Series A, due '46	105	6	18	Sept. 1	Called
St. Law. Paper, S.F. 6½'s, due '36	102	6½	8	Jan. 2	Called
Southern Can. Pwr. 1st 5's, Series A, due '55	102	5	27	Oct. 1	4.87
United Grain Growers, 1st. Mtge. 5's, due '48	98	5	20	Jan. 2	5.17
United Securities Coll. Trust S.F. 5½'s, Series A, due '52	103½	5½	24	Nov. 1	5.23
Wayagamac Pulp & Paper 1st S.F. 6's, due '51	104	6	23	Jan. 1	5.68
Winnipeg Electric Ref. 6's, due '54	104½	6	26	Oct. 1	[illegible]

Before the Fire
Collection of insurance after a fire demands presentation of a detailed inventory and valuation of the property destroyed. A Canadian appraisal prepares this before the fire, thus assuring a reliable basis for loss adjustment.
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The Press and the Bank Merger

Majority of newspapers in Canada somewhat concerned by concentration of banking capital in fewer number of units, but opinion is by no means unanimous.

Stop This Bank Merger

Manitoba Free Press: The amalgamation of the Standard Bank of Canada and the Bank of Commerce is the most glaring instance yet afforded, in this business of bank merging which has been going on in recent years, of the indifference of the Dominion government to the process of restricting banking facilities by the lessening of competition; or perhaps it would be more accurate to say, this is the most striking instance of the readiness of the minister of finance to co-operate in the business, now far advanced, of putting all the credit facilities of the country in the hands of four or five men.

Mr. Robb, whatever his virtues in other respects, has a very bad record with respect to bank mergers. He has given his blessing and approval to every amalgamation submitted to him. For some of these amalgamations a fairly plausible defence could be offered. It could be urged that it was better that a strong bank should absorb a weak institution than that the latter should get into trouble. But in the more recent mergers, excuses of this character have not been in order. The swallowing of the Bank of Hamilton by the Bank of Commerce might have been a good thing for the two banks—giving the shareholders of the one bank a good profit and adding to the prestige of the other—but it was a disservice to the public about how its interests could and would be better served by the enlarged institution.

From Many to Few

Mail and Empire, Toronto: The development of our banking system has been from many to few, from small to large. This seems to follow naturally from the branch principle. Canada's material development could not have gone on as it has, building up larger capital units, had the banking system consisted of many small local banks. Of course, any banking system can be abused and made a detriment rather than a stimulus to sound business, but governments are supposed to see that good laws are conformed to as well as bad laws amended. There is always criticism of many mergers. But the people who most strongly condemn the joining of bank to bank are sharpest inquirers as to the reason why the failure of a bank was not averted by its incorporation into some strong bank.

The Bank Merger

Border Cities Star, Windsor: Though many persons undoubtedly feel that a mistake is being made in cutting down the number of large chartered banks—the list is reduced to nine by the merger now contemplated—it cannot be denied that this is a day of big business units and that the general public is not suffering as a result. One sees this trend in the automobile industry, in the chain stores, in the banks, in the newspaper publishing field and in many other lines. The cost of carrying on a large business these days is so high that it has been found desirable to eliminate expensive and unnecessary competition. If the public suffered by the arrangement, one would soon find a marked change in the other direction. The very fact that there is no such change would seem to be the best proof that the people, as a whole, are well satisfied and securing good service.

It should always be kept in mind, too, that, while mergers are taking place, this is a free country and there is nothing to prevent anyone from starting a new bank or a new institution of any kind, providing he has the necessary capital. This condition safeguards the public interest.

The Latest Merger

Quebec Chronicle-Telegraph: The disappearance of the small bank seems inevitable, and if greater strength and security have ensued, the question arises whether there has been adequate compensation for the loss of the local bank with its intimate association with local interests and its naturally deeper interest in local affairs and greater readiness to assist in promoting local business.

Commerce Absorbs Standard Bank

Calgary Herald: The Standard Bank of Canada is to be taken over by the Canadian Bank of Commerce. The announcement of the merger will create little surprise, as the fusion has been recognized in well-informed circles for some time as a logical development. Ottawa sanction is indicated by the minister of finance.

The Bank Merger

Montreal Gazette: The absorption of the Standard Bank of Canada by the Canadian Bank of Commerce will meet with the usual criticism from those who see in banking amalgamations a concentration of money and a limitation of credit facilities, and nothing more. The validity of this objection, either in theory or practice, is questionable, and it is noteworthy that the trend in Great Britain in comparatively recent years has been toward this same concentration, which has created the present dominant position of the "Big Five" joint stock banks; nor has experience shown that the unification of two or more institutions under a single central management has deprived business of the credit facilities that are necessary to its existence. On the contrary, the great financial strength of the large banks may be said to have amplified credit, whether in the case of the small trader or in that of what some people are fond of calling "big business" — commercial or industrial operations that are conducted upon so large a scale as to involve very considerable sums of money, which only the more powerful banking institutions can be expected to furnish. On the whole, the union of these banks seems to be a logical step from a business standpoint, mutually advantageous so far as the institutions themselves are concerned, and of material benefit to the customers of both.

The Big Bank Merger

St. Catharines Standard: The test which should be applied to the proposed merger, however, is banking services and banking security.

The country must be adequately served with banks and with credit, to a reasonable extent. Were credit withdrawn or even contracted severely, the effect would immediately be felt by everybody. Few people have any idea as to the extent which credit plays in the economic life of the nation. It is playing a bigger part than ever with the development of the instalment plan of buying. This credit could not exist, did it not have behind it the services of banking institutions, the security of which is beyond question. The proposed merger, as it affects credit, touches even the man on the street, if it has any effect at all. As for security offered, there is no question but that the combination of two banks, under an able management improves the situation. Fortunately in Canada the security of one of our chartered banks is seldom, if ever, called into question, although there are a few notable instances of failure.

Finance Minister Robb has approved of the absorption or merger, and that means that it passes the muster of a minister who has been traditionally opposed to bank mergers. The chances are that it will mean little if anything to the public, but big business has a way of its own in protecting its shareholders and making sure of their return. Why have ten milk wagons covering the same ground delivering milk when less will serve the purpose? Perhaps the answer to that is the commonsense way of answering why the latest Canadian bank merger?

That Bank Merger

Ottawa Journal: Before the war, when "trusts, combines and plutocratic wealth" were forever on the lips of certain politicians, bank mergers were especially useful golliwogs with which "reformers" might frighten a timid electorate into their party tents. Today it is different. A public more enlightened about and more wary of demagogues accepts an amalgamation such as that of the Standard Bank of Canada with that of the Canadian Bank of Commerce as an almost inevitable outcome of the existing tendency of Big Business.

And, come to think of it, the merger should be mostly to the good. In banking, as in most other economic and commercial activities, unnecessary duplication of effort is bound to increase overhead and costs and consequently to make for weakness rather than for strength. No one, or course, would care to see all the banking privileges and rights of power concentrated into a few hands, but with something like a dozen banking institutions left in the country, and with the rights of shareholders and depositors safeguarded by the Bank Act, there is as yet no great room for grievance on this score.

Concentration in Canadian Banking

The American Banker: Canadian banking promises to become still more concentrated.

Canada seems well content with her present system of bank administration, or rather, has been content until recently, when the western provinces, growing rapidly in wealth and population, exhibited a tendency to ask either for chartered banks located in their own sections or for an expansion of the system that will permit the introduction of independent banks. This movement has met with little success. Unless a decided change in sentiment occurs in the future, the Dominion will continue to transact the bulk of its business through the medium of a few extremely powerful institutions located in Ontario and Quebec and with branches sprinkled at almost every strategic point over a territory more than 3,000 miles wide.

Whether the present system of concentrated banking as practised in Canada will be continued indefinitely in the future, is a subject coming up for an increased amount of debate both in private commercial circles and in parliament. As the situation stands at present the movement is toward concentration rather than expansion. It is only a question of time when other amalgamations will be announced, and predictions are made, although based on nothing more than surmise, that the banking business of the Dominion will fall sooner or later into the hands of not more than three or four great banks. Indeed it may be said that such a condition already exists.

Apparently Satisfied

Blenheim News-Tribune: With each bank amalgamation that has taken place in Canada objection has been raised by certain customers that it is an approach to capitalistic combine. This need not necessarily be, so long as there remain such a considerable number of banking institutions as we still have. The whole of England has but five different banks, yet their finance affairs over there are managed about as well as they are anywhere else in the whole world—or perhaps better than anywhere else. The day really appears to be yet far distant in Canada when the danger is threatening of monopoly in our banking affairs. At the same time the public will feel a sort of relief that the smaller banks appear to be about absorbed, and that further amalgamations will not be so likely to take place since so many have occurred in the last twenty years.

This Bank Merger

Lindsay Post: Another bank merger is about to go through apparently without any very serious opposition on the part of anyone. This newest "trust" is composed of the Bank of Commerce and the Standard Bank. It may be a fine thing from the banking standpoint but it is a moot question if it is particularly good for the common everyday run of citizens. Bank mergers have become quite the thing of late years and the result is that some nine banks control the financial affairs of the nation. True there are exceptions such as trust companies of which the Victoria Trust and Savings Company here is an outstanding example but in general the financial affairs of the nation are in the hands of a comparatively small group of men. Just now these banks are well and honestly managed and there is little complaint but who can tell what the future may bring forth, what influence may develop within these banks and what powers they may usurp if they are permitted to continue to amalgamate and thus increase their power. It is certainly strange even now to have nine banks handling the funds of nine million people and most of the power concentrated in Montreal and Toronto, lopsided to say the least.

An Explanation is Due

The Toronto Globe: Seeking from government authorities some explanation that would satisfy the public as to the reasons for sanctioning the merger of the Canadian Bank of Commerce and the Standard Bank, The Globe's Ottawa correspondent was told: "All we have to do is to give our sanction."

As The Globe sees it, such dismissal of a subject of national importance and significance is little short of an affront to the voters who have placed their interests in the safe-keeping of the government. It shows utter lack of appreciation of the responsibility devolving on the administration.

When the government sanctions a merger or performs any other function it does so as trustee for the people, and the latter have a right to know the reasons or the motives involved.

It is true that reasons have been given—the necessity for eliminating duplication, the need of bigger banks to meet the demands of bigger business. But these reasons have to do with the banking interests, and not the interests of the public. The government represents the public, not the banks. There remains to be given an explanation from the standpoint of the public.

The Bank Merger

Brantford Expositor: The announcement to-day of the merger of the Canadian Bank of Commerce and the Standard Bank of Canada will come as a great surprise to most people. Some years ago, bank mergers were so frequently taking place that public opinion became exercised over the prospect of the banking system of this country becoming so concentrated that monopolistic evils might ensue and so much apprehension was felt that the government took steps to restrict and control them. For that reason, partially, but probably due more to the fact that the majority of the smaller banking institutions have been absorbed by the larger, mergers have been of such infrequent occurrence that the public was hardly prepared for this last one.

The merger is probably in the interests of the shareholders and the clients of the two organizations concerned, and as the consent of the Finance Minister has apparently been secured, the general public of Canada will probably have no objections to raise and the deal will undoubtedly be consummated as planned after the shareholders of the two banks meet to ratify the arrangement arrived at by the board of directors.

The Latest Bank Merger

Kingston Whig-Standard: So long as the banks of the country are in the hands of men who, as at present, are safe, sane and honest, the concentration of capital through consolidations—the latest being the absorption of the Standard Bank by the Bank of Commerce—may be accepted with composure if not with satisfaction. But if times should change and less responsible and more speculative heads be put in charge of the banks, what of the country and what of enterprises, managed by small or large capitalists, who may run counter to the "Big Interests" in the banking world? Is it not clear that such industries might not have a fighting chance for their lives and that the controlling interests of these great banks, did they so desire, might so withhold credit from private and individual interests that these interests would simply have to surrender the control of their companies or go to the wall.

From a banking standpoint we have no doubt the consolidation of banks is a good thing, but whether the same can be said from the standpoint of the public is another thing.

As it happens the now remaining banks are well and conservatively managed, but who can say what may happen a decade or two hence, or what powerful influences may then be holding the purse strings of the countries and with what intent and purpose? If the purpose be wise and honest, well and good. If it be otherwise, then we can well imagine that a great financial octopus might spring into existence that would have such strangle hold upon the country that it would be worse than a menace. Certainly in a country of nine millions of people it will seem strange to have only nine banks to serve so vast a community and with the bulk of the funds concentrated at Montreal and Toronto. It is too lop-sided a condition to be altogether satisfactory and the only redeeming feature is the high character of the now controlling interests.

The Bank Merger

Hamilton Herald: The banks of Canada are becoming "small by degrees and beautifully less" in number, though not in strength and influence. Bankers consider that the various mergers that have occurred in the last thirty years have added substance and power to the originally well founded structure of the Canadian banking system. The man on the street is far from possessing the same assurance. There are now ten banks left, and it is not certain that there will be more than half a dozen before the consolidation policy has run its course.

The object of all mergers is to cut the overhead and strengthen the security of the bank's position by its increased assets. To this extent the public benefits. Competition is not less, for the business attitude of the bigger banks is quite as keen if not keener than in the smaller ones. The public need not fear on this score. There exists a fear on the part of the public that banking accommodation may be less easily gained, but this is met by the bankers with the assurance that they exist to lend money, and that if the security is good and the payments regularly made there can be no difficulty about loans. It is pointed out that England has fewer banks than Canada, but they have thousands of branches, which are as effective for business as individual banks. The difficulty that has existed in Canada and suffered from by business men, it is said, is due to the difficulty of getting experienced men to take charge of the branches. Inexperienced men must necessarily refer to head offices in cases of doubt. This has been remedied in recent years by the appointment of supervisors who have charge of extensive districts to whom branch managers can refer their difficulties at once, and thus be able to transact urgent business without the delays formerly attaching to references to the head office. There still remain doubts in the minds of people who see their local banks passing under the jurisdiction of strange authorities who know not the requirements of the distant clients.

These are not so much matters of complaint as points to which the banks themselves which survive and control these merger operations should give attention. The banks are very nearly the chief governing powers of the world. Politics have some influence, it it true, but in the last analysis the money power dictates policies. Here, finally, is what the man in the street fears. Gigantic mergers of moneydom may result in tyrannical domination of all commercial and business activity. The argument against the people's effort to cheapen the distribution of hydro-electric power and cut down overhead is not to be applied to the similar effort on the part of banks. But when the banks unite to support the corporations which compete with and will the extinction of efforts like the hydro-electric system, then is found the true reason of the fear felt by the average citizen. He knows there is no appeal against these money powers and what they will must be submitted to. It is not in human nature, even of the superior order which attains to the directorate of the banks, not to favor enterprises from which the directors derive personal benefit. This is why the public would like to see the banks governed by men who have a total detachment from ordinary business except as their banking brings them into touch with it.

Proud of Mr. Logan

Halifax Herald: Perhaps no vast financial transaction has every emerged from sounder conceptions than those that form the basis of the proposed purchase of The Canadian Bank of Commerce of the assets and undertakings of the Standard Bank of Canada. Here is no apparent distress, no decisions forced by impairment of prestige or resources; here is an entirely natural— and progressive—fusion of great interests to promote a remarkably complete, Dominion-wide machinery of banking service.

To Nova Scotians it is a source of pride that the man who will be the active chief of staff of this vast financial enterprise is a native son of this province. Sidney H. Logan, now general manager of The Canadian Bank of Commerce, will continue to hold that responsible position with the enlarged institution. Mr. Logan was born in Cumberland county, and keeps the closest contact with the home of his boyhood. His own people congratulate him on his increasing honors and responsibilities and wish him continued and well-deserved success as a leader of Canadian finance.

Bank Mergers and Big Business

Evening Telegram, Toronto: Big business interests may require big banks. Small business interests may be crowded to the wall in competition with Big Business for the favor of these banks.

Rightly or wrongly the public have the idea that the swelling in size and assets of a few banks, and the accompanying reduction in the number of banks, gives to groups of men who are interested in big business that much power to cater to big business first.

Leviathan banks serve their purpose. There is also a distinct place for the bank of modest capital, eager for business. Healthy commercial and industrial development of Canada is dependent to a considerable extent upon the encouragement of smaller enterprises which look to lesser banks for assistance.

It is easy to scramble the smaller banks in with the big fellows. It is almost impossible to reproduce them.

Something in Favor

Dunnville Gazette: Public opinion is not favorable to these bank mergers, fearing that the control of large accumulations of capital in the hands of a comparatively small number of individuals will not work out for the benefit of the country as a whole.

So far, however, it does not appear that such mergers as have been consummated have had any detrimental effects. There has been no undue restrictions of credit, and competition between the banks is still sufficiently keen to provide all the facilities required by trade and industry. At the same time there is an uneasy feeling that the process has gone far enough, and a hope that a halt will be called.

It does not appear that the pending merger was forced by anything in the circumstances of either bank, and the number of places where both banks are in operation is comparatively small. There is therefore not so much reason to criticize the union of the two institutions, and more to be said in its favor.

A Monopolistic Grip on the Country's Purse Strings

Regina Leader: There is less room for mergers in Canada than in the United States, the proposed consolidation leaving in existence only nine separate national banking institutions. The holders of the national purse-strings have immense power in the system of modern civilization. There has always been a subconscious fear that a monopolistic grip on these purse strings might be abused and result in attempts at strangulation of the public interest.

This is precisely the danger that looms from such absorptions as that of which the country has just been acquainted—that a monopolistic grip on the national purse strings of the nation will develop and will result in attempts at strangulation of the public interest. It is not yet too late to head off the absorption of the Standard Bank by the Bank of Commerce. We believe that the rank and file of the Canadian public are distinctly opposed to further amalgamations of the banking institutions of the country and would appreciate a little more concern for its interest in this respect by the Ottawa administration.

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The following figures on earnings are illuminating.

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1927 .... $29.63 per share
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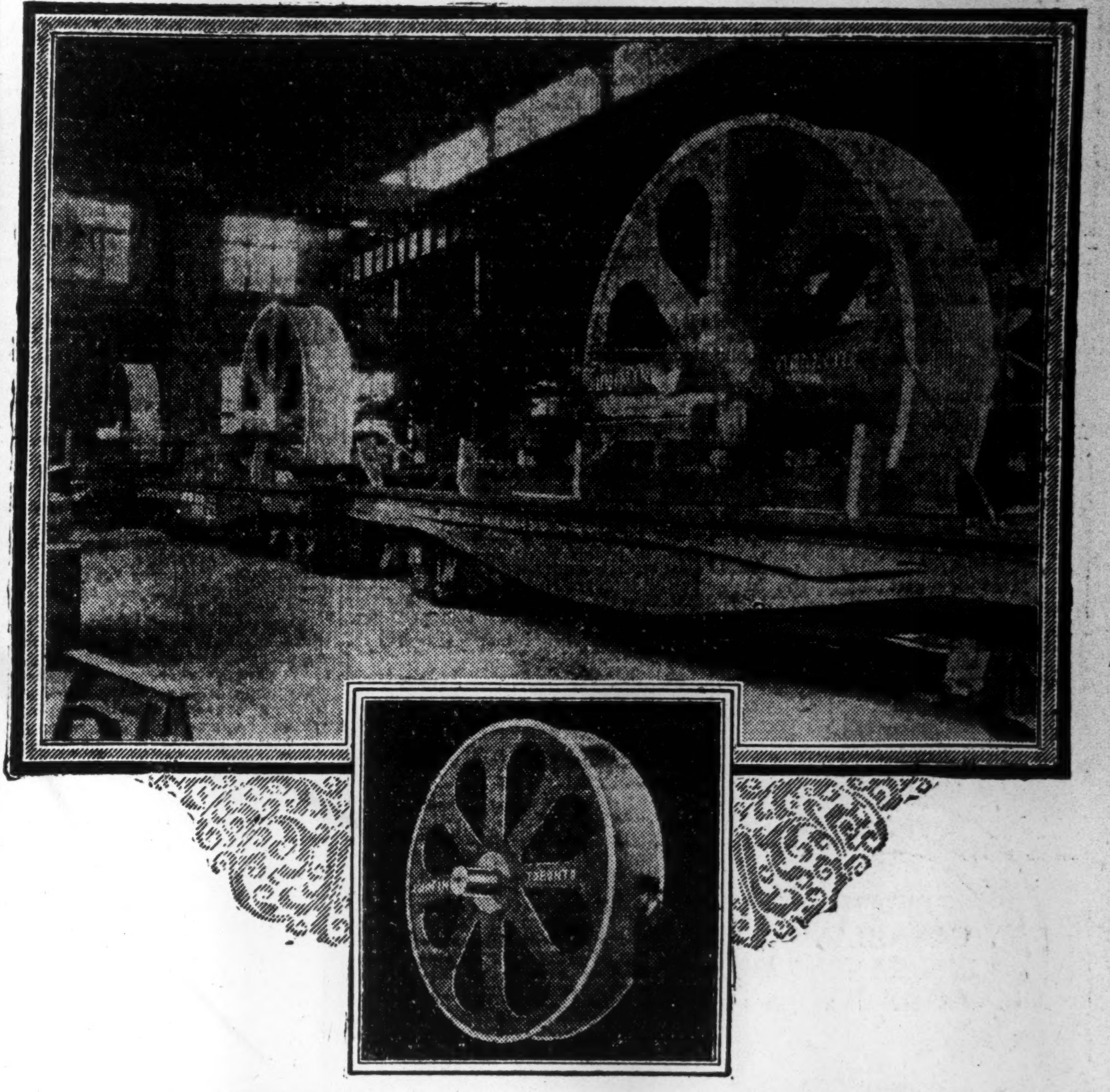

ILLUSTRATED above is a shipment of wheels ready to be mounted on structural steel towers and used on the Lift Bridge of the new Welland Canal. Four wheels were ordered, each wheel being a one piece steel casting 30 inches wide, 13 feet "pitch diameter," and weighing 15 tons.
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Banner Year Looms as Hail Companies Write Record Risks

Companies Touch Wood as Premium Income Soars

FEW WEEKS YET

South Saskatchewan Storms Not Vital to Stock Companies

From Our Own Correspondent

MONTREAL. — Hail men are touching wood these days.

If present conditions prevail for another two or three weeks the insurance companies writing hail business in the Canadian west, will record the most prosperous year they have experienced for some time.

Last week southern Saskatchewan was ravaged by the hail king for some 200 miles, but it is understood that this area was covered largely by mutual companies so that the stock companies will not be very deeply affected. At any rate this storm or series of storms is as but a drop in the bucket as compared to the ruinous conditions which prevailed last year, Alberta for instance was honeycombed with losses in 1927 and is far the worst province for hail storms. So far, the 1928 record of Alberta has been a fairly clear one so that if the gods are propitious for the next few weeks the companies may be able to recoup themselves for the disastrous years that they have gone through of late.

Another important factor that makes the hail picture look rosy for the insurance companies is the very substantial increase in premium income that is being reported by practically all the companies writing this type of risk. One of the biggest groups reports that premium income is more than 20 per cent. above the 1927 figure, while another manager estimated that total premium income for stock companies would be well over the $7,500,000 mark.

No Pyramiding

There are several reasons for this very satisfactory increase in premium income. In the first place, this is the first year that commissions to agents have been levelled out for all types of business. No longer is there a pyramiding of commissions in the areas in which the hail rate is high, so that with this incentive removed, the agents have been active in writing business all over the West as the monetary reward from average or low-rate areas is virtually the same as in the high rate districts.

Another factor that is making for wider and healthier distribution of risks is the fact that a great many of the companies have limited the amount of business that they will write in the high rate areas. This means that agents have another incentive to get away from these danger zones, because even if they do write the business they may have to relinquish it as soon as the company exhausts its limit in that particular area. In other areas, however, they can write as much business as possible without fear of check.

A Magnificent Crop

As far as general conditions in the industry are concerned there are two factors that make for an increased premium income and that should make this one of the banner years from this point of view. First is the fact that a banner crop is now being groomed for the thresher in the golden west. Preliminary estimates indicate the greatest crop in Canadian history. In other words, if nothing untoward happens in the next four or five weeks, the wheat crop may soar to the 500,000,000 bushel mark.

Add to this the psychological fact of heavy losses sustained last year by hail, and the stage is set for a heavy premium income; for with good crops and the vivid memory of last year's experience in mind, the majority of farmers will be only to glad to protect themselves this year. This is evidently the case, for as already pointed out, premium income has already soared above the high mark of last year, and will in all probability be somewhere about $7,500,000 for stock insurance companies alone.

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New Fire Manager

ARTHUR E. PETERS, who has been appointed as fire manager for Atlantic Insurance Company.

Insurance Inklings

Announcement is made by The Mutual Life Assurance Company of the appointment, as assistant actuaries, of C. B. Spurgeon, F.I.A., and H. L. Guy, B.A., F.A.S.

Mr. Spurgeon was actively engaged in life insurance in England from 1909 until the outbreak of the war. After the Armistice he resumed his actuarial studies and obtained the Fellowship of the Institute of Actuaries in 1921.

Mr. Guy had actuarial experience with two well-known Canadian companies before joining the Mutual Life in 1927. He took his associateship in the Actuarial Society in 1925 and obtained the Fellowship in 1928.

The Manufacturers Life has purchased 134 Bloor Street East, Toronto, which adjoins its head office, from the Vigeon estate. The property has a frontage of 75 feet on Bloor Street and a depth of 625 feet, running into the Rosedale ravine. The consideration was $70,000.

The Manufacturers Life now has a frontage of 375 feet on Bloor Street which ensures ample room for expansion. Since moving into their present quarters in March, 1925, the insurance in force has increased by 50 per cent. and is rapidly approaching the half-billion dollar mark.

New business secured by the Dominion Life Assurance Company of Waterloo during the first six months of 1928 amounted to more than $15,000,000—a 23 per cent. increase over that written during the same period of 1927.

The growth of the company in the past few years is indicated by the fact that its six months total of new business for this year is in excess of the total volume secured in the twelve months of 1923.

Arthur E. Peters has been appointed as fire manager for the Atlantic Insurance Company, of Toronto. Mr. Peters has had a wide experience in the insurance business having been associated for a number of years with the Prudential Assurance Company of London, England, and subsequently in the brokerage business in New York. In 1925 he was appointed resident inspector in Western Ontario for the British General Insurance Company of London, England, and is now well known to the agents of the province as a sound underwriter and reliable consultant.

The field forces of the London Life Insurance Company have just completed a campaign in honor of the two Superintendents of Agencies, J. F. Maine, Superintendent of Industrial Agency, and J. G. Stephenson, Superintendent of Ordinary Agency. The campaign started on June 4 and concluded on July 16, which takes in thirty-six working days. A new record was set when $19,585,432 of new insurance was written which is an amount far in excess of anything heretofore accomplished within a corresponding period. This is at the rate of 3¼ millions a week or a hundred and seventy millions a year.

The total of new insurance issued this year to the end of the campaign is over four million more than the total written by the company in the entire year 1924. The figure practically assures that the company's objective of $100,000,000 new insurance for the calendar year will be achieved.

R. C. MacKnight, general manager of the Northern Life Assurance Company, is making his annual tour of Western Canada. Mr. Knight will make a survey of the general conditions in the insurance business and in the country in general.

J. McL. Cooke has been appointed supervisor for Manitoba and Northwestern Ontario, for the Ontario Equitable Life and Accident Insurance Company. Mr. Cooke joined the company in 1927 as manager at Regina, which post he held until his recent promotion.

J. Vennard succeeds Mr. Cooke as district manager at Regina. Mr. Vennard has a record as a large producer, his previous experience having been with the Dominion Life.

The Ontario Equitable, Life and Accident Co., announces the opening of a new agency at Saskatoon under the direction of Charles E. Buck. Mr. Buck has had many years experience in insurance and has the added advantage of having been in the west for the past twenty four years.

William E. Howes has been appointed to the agency staff of the Ontario Equitable Life and Accident Insurance Co. at Stratford.

Don Ferguson has been appointed district inspector for the Portage district for the Great-West Life Assurance Company. Mr. Ferguson has an enviable record with the company and under his direction the Portage district should show an increased production.

The Canada Life announces the appointment of V. R. F. Macdonald to succeed G. A. Reem as branch manager at Detroit. At the time of his appointment, Mr Macdonald was a manager at Montreal.

J. G. Neil, representative of the Dominion Life Assurance Company, has been transferred from Hamilton to Dunnville.

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NEW ALBERTA LAW WILL CHECK EVILS OVER-INSURANCE

Fire Agents Now Are Declared Criminally Liable

TO CURB ARSON

Commissioner's Report Notes Carelessness and Spontaneous Combustion as Bad Actors

Carelessness caused $1,500,000 of fire loss in Alberta last year, according to the report of the fire commissioner which has just been published. This constituted 66 per cent. of the entire fire loss for the year. The report outlines at length the steps that have been taken to curb over-insurance in the province, and thus remove, to a large extent, the incentive to arson. It is now an offence for any insurance agent in the province to over-insure a property. The growth of spontaneous combustion in the province is also commented upon in the commissioner's report.

"This excessive fire waste is sapping our prosperity." says Commissioner Brace. "And its material reduction should be an important part of any campaign for the conservation of our resources. The only way to get lower insurance rates is to have fewer fires, but to secure a just measure of help and co-operation to this end is not always possible."

"Such a reduction in the annual fire loss would be the means of saving many thousands of dollars worth of property to the citizens of Alberta, and would procure a reduction in fire premiums. These benefits, however, cannot accrue without earnest and hearty co-operation in respect to fire prevention. This is one of the greatest economic problems before us to-day."

Blames Combustion

The fire commissioner notes that many fires are due to spontaneous combustion, on account of the increased production of hay, green feed and the storage of root crops. Definite steps are being taken by the department to study this hazard, and literature is being circulated throughout the province by way of educating the farmers in this regard.

Definite steps are also being taken by the department to wipe out the evils of over-insurance, with its very serious corollary of arson and fire-waste. The reports makes this comment on the subject:

"It would not be an exaggeration to say that for every 'arson fire' thoroughly investigated and prosecuted, probably a dozen go absolutely free. Most 'arson fires' destroy any evidence of origin, or are under circumstances where it is difficult to place the blame. Many investigations, too, are discouraged by the fact that to secure a conviction requires evidence so positive that it would almost need witnesses to say they had actually seen the flame applied.

Crime Big Factor

"Crime enters into the great annual loss from fire, for which we are taxed, to a greater extent than the average citizen imagines. Purely accidental fires are few in number. and are not the cause of the serious fire-waste. Possibly the greatest incentive to commit arson is over-insurance. Most of the investigations conducted by this department, where incendiarism is suspected, have been what may be termed 'insurance fires,' proving conclusively that over-insurance is a great temptation, and with many people to be careless and indifferent with regard to hazards from fire, no matter how honest they may be; and, if business is bad, a further temptation to 'sell out to the insurance companies.' It is significant that for a period of years the business failures run parallel with the fire losses.'

Check Over-Insurance

"At the 1927 session of the legislature, amendments to the Alberta Insurance Act were effected, making it an offence under the act for 'any agent licensed or unlicensed, to issue any contract for fire insurance upon property situated in the province for an amount which, with any existing contract, exceeds the fair value of the property or of the interest of the insured therein.'

"The act also requires any evidence of over-insurance to be reported to the Fire Commissioner, and to the Superintendent of Insurance at the time of any adjustment. Penalties are provided for any infraction of the section upon summary conviction.

"Over Canada and the United States there has been a distinct and definite campaign to strengthen and tighten the laws having reference to arson and malicious burning. Much can be done through the initiative of leaders of various commercial bodies in establishing higher standards, and co-operating for the purpose of eradicating vicious and unfair practices."

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23

"Thou Shalt Not Rebate" Says Law to Insuring Folk

It is so seldom that the practice of "rebating" insurance premiums comes to light, that a great many policyholders, and doubtless many underwriters, are apt to forget that it is a criminal offence.

In a memorandum sent out this week from the Insurance Department at Ottawa, the story of a $1,575 rebate paid by an agent of one of the leading Canadian life insurance companies to a client of his, is thoroughly told and a stern warning sounded to agency officials and forces against this practice.

Broadly speaking, "rebating" covers any case where an agent allows his client a rebate or discount on the actual premium quoted by the company. The offence, if uncovered, is heavily punishable under the criminal code. Generally such transactions never come to the light for the reason that both parties are careful in their own interests to say nothing about it.

In the case under discussion, a Montreal insurance broker submitted the facts to the department at Ottawa, with the result that an investigation was immediately held. The case proved to be somewhat different from the usual run of rebating in that the client had, without solicitation, asked the agent to furnish him with a policy. The rebate was offered by the agent as recompense for substantial services that the client had previously rendered to the agent by way of introducing him to prospects.

Will Not Be Indicted for Offence

Taking all the circumstances into consideration, the Board of Enquiry, consisting of Charles S. MacDonald, general manager of the Confederation Life; J .B. Hall, president of the Canadian Life Underwriters' Association; and A. D. Watson, chief actuary of the Department of Insurance, took a lenient view of the case, so that no charge will be laid against the agent, he having already been reprimanded severely by his company. The act, however, was a violation of the law and as such is no doubt liable to prosecution under the criminal code.

From the evidence submitted, the agent, who was a leading producer in his company and well aware of the illegality of rebating, was apparently under the impression that the transaction in which he was involved was not one for which he was criminally liable. He had received "prospects" from the client over a period of years; there was no pre-arrangement, nor was there apparently any inducement offered at the time of placing the insurance. In spite of this he barely escaped indictment for a criminal offence.

All Rebating Criminal Under Canadian Laws

In the eyes of the law, therefore, all "rebating," no matter how innocently conceived and executed, is a criminal offence. This should be a warning both to policyholders, prospective insurers and underwriters.

One further lesson that may well be gained from the case, is that only as those in possession of the facts have courage enough to report them, will these unfortunate practices be stamped out and the ethics of business —so greatly improved of late by underwriters' associations and other uplifting influences—be kept sweet.

HARRINGTON L. GUY. F.A.S.

C. B. SPURGEON. F.I.A.

MILL OWNERS MUTUAL FIRE INSURANCE COMPANY
OF IOWA
Assets. $2,606,712.91
Surplus Assets. $1,200,000. 53 Years Old.
Policyholders' Dividend Rate, 25% to 30%.
SENECA JONES & SON HAMILTON, ONT.—Canadian General Agents

THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 58 years in business CANADA
Capital, paid-up, $1,750,000 Reserve Fund, $2,800,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages including building loans. Applications invited.
A. M. SMART, *President* T. H. MAIN, *Manager*

CANADIAN GUARANTY TRUST CO.
Acts as Executor, Administrator, Trustee, Guardian, Agent and in any other Fiduciary capacity.
Official Administrator for the Northern Judicial District in Manitoba and for the Swift Current Judicial District in Saskatchewan.
Head Office: BRANDON, MAN. Branch Office: Swift Current, Sask. JOHN R. LITTLE, Managing Director

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
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Branch Offices:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Saskatoon, Calgary, Winnipeg, Montreal, Saint John, Halifax, and Charlottetown.
Writing Fire Insurance at Cost
ALL POLICIES DIVIDEND-PAYING AND NON-ASSESSABLE

TOTAL ASSETS EXCEEDING 2¼ BILLIONS OF DOLLARS
INSURANCE IN FORCE EXCEEDING 14¾ BILLIONS OF DOLLARS
More Policyholders, More Insurance in Force in Canada than any other Company—
With 2,467,977 policies in force in Canada, covering $769,114,229 insurance; and $153,194,442 invested within our boundaries, METROPOLITAN LIFE plays an increasingly important role in the economic life of the Dominion.
CANADIAN HEAD OFFICE :: :: OTTAWA
Metropolitan Life Insurance Co.

"The Stock Company that pays Policyholder Dividends"
GENERAL INSURANCE COMPANY OF AMERICA
Total Assets — $5,516,000
Manager for Canada—Norman S. Jones, Hamilton, Ont.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$94,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary W. H. HUNTER, President ALEX. STEWART, Treasurer

INSURANCE INKLINGS

E. D. Walsh has joined the Toronto agency of the Ontario Equitable Life and Accident Co.

The Great West Life Assurance Company recently opened a two-storey annex adjoining their head office at Winnipeg. Increase in staff made additional accommodation necessary and the company were fortunately able to purchase a two-storey building adjoining which they converted into offices.

The 42nd annual meeting of the Prince Edward Island Mutual Fire Insurance Company was held recently and a very favorable report presented.

Income amounted to $30,257 and expenditure to $22,500, showing profits for the year of $7,757. Losses for the year amounted to $16,096. The total assets of the company now amount to $133,003. The company now carry $10,148,199 insurance on 7,183 policies. The board of directors were re-elected.

One hundred and ten delegates attended the special agents convention of the Hartford Steam Boiler Inspection and Insurance Co., and the Boiler Inspection and Insurance Co., of Canada held in Quebec from July 16 to 19th. The delegates, who arrived aboard their special train over the C.P.R., represent every part of the United States.

The Caledonian Insurance Company announce the appointment of F. J. Cameron, F.F.A., F.I.A., to be general manager and actuary of the company in succession to the late R. Hill Stewart, F.F.A., who died last May.

Mr. Cameron commenced his professional career with the Caledonian Insurance Company, in 1897. In 1905, he entered the service of the Friends' Provident Institution. Later that institution acquired the shares of the Century Insurance Company, Limited, and in 1919 Mr. Cameron was appointed assistant actuary of the Friends' Provident and Century Life Office, being promoted to the post of joint actuary of that office in 1927.

Protection with Profit
The Great-West Life Assurance Company

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Average earnings of insurance company shares are higher than any other line of business; in some cases running as high as 200% net.
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The Insurance Investments LIMITED
Insurance, Bank and Trust Company Stocks
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Herbert Tareyton London Cigarettes
"THERE'S SOMETHING ABOUT THEM YOU'LL LIKE"

The CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office - Winnipeg, Man.
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HENRY SANDISON, *1st Vice-President and Managing Director.*
T. S. MCPHERSON, *2nd Vice-President.*
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OFFICE SPECIALTY
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Easy to Erect
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THE greatest advance in Life Insurance in recent years has been the new Super-Service idea introduced by the London Life.

Under this plan policies in sums of $1,000 and upwards are granted on the "weekly premium payment plan" (industrial insurance) for persons from 10 to 65 years of age. These policies contain the benefits of the "annual premium payment plan" (ordinary insurance)—cash and loan values, paid-up insurance, extended insurance, waiver of premium in case of total and permanent disability, instalment settlement options, etc.

Super-Service policies meet the need for insurance protection and savings in sizable amounts on the weekly plan for persons receiving a weekly or monthly pay-cheque.

A Triumph in Insurance

A person age 30 can now own $1,000 life insurance on the Whole Life Plan for less than 50c a week
20 Pay Life " " " " 65c "
20 Yr. Endowment " " 1.00 "

These policies provide for dividend distribution.

Rates for all ages gladly furnished.

The Super-Service is a distinctive London Life feature, being the only Weekly Premium Policy offering such advantages

London Life Insurance Company
"Canada's Industrial-Ordinary Company"
HEAD OFFICE - LONDON, CANADA

Current Events in Banking World

PAYING BY CHEQUE IS NOT WITHOUT ITS DIFFICULTIES

Method of Fighting Payroll Bandit Introduces Complications

By C. PAYELL

The increase in the number of pay roll robberies during the last few years in both the United States and Canada has produced many plans for defeating the robbers. The favorite suggestion is to pay by cheque, and this plan has the endorsement of the police, who point out the temptation offered by the carrying of considerable sums in currency through the streets, often without any adequate protection. On the other hand, the men who are to receive the money for their weekly or monthly pay generally prefer the actual cash to the cheque. The staff of the factory which has to handle the payroll, also, prefer the cash, as the whole transaction is then dealt with in one entry, whereas the pay cheque means numerous entries, in addition to the labor involved in making out the cheques, and dealing with them later as vouchers. Payment of wages by cheque, by reason of the additional work involved, adds to the office expense.

Cash is Cheapest Plan

Payment in cash therefore is a much cheaper and more satisfactory method of handling a payroll from the point of view of the employees, the factory staff, and the owners of the business. The only question is that of protection against robbery.

In the United States, many organizations now arrange with companies operating armored cars to go to their bankers, draw the cash, and transport it to the factory, where it is paid out in the usual way. Some companies in this business will contract to draw the cash, make up the payroll in envelopes, and pay the men under the protection of their armoured cars, and this method seems to be gaining favor, as the employers find it less expensive than to open a payroll account with their bank, and pay by cheque.

The bank charges in connection with payroll accounts in the United States may have something to do with it, but it is estimated that, even if the bank made no charge, the cost of the armoured car service referred to is no greater, in the case of a large payroll, than the expense of using cheques.

No Responsibility for Endorsement

American banks in handling payroll accounts make a special charge based on the number of such cheques issued, unless the customer maintains an adequate free balance. Some concerns report that this charge works out at about 5 cents per cheque. The bank also insists on a release from the customer of all responsibility for the endorsement. Then the bank, in the case of a pay cheque drawn on it, does not need to bother about the identification of the payee. Of course, if a bank negotiates a pay cheque drawn upon another bank it does so at its own risk, and naturally as a bank makes no profit whatever in a transaction of this kind, it will not negotiate such a cheque for anyone but one of its own customers.

In Canada the armoured car service in the handling of payrolls has not yet developed, though a company just organized announces itself as in the business.

From the bank's standpoint, one great drawback to payroll accounts is the tremendous increase in counter work, and the consequent delay in service to the ordinary customers. In city branches, this is particularly noticeable and ordinary depositors, especially women, resent it. They do not care to have to stand in line before the teller's wicket with a crowd of men some of whom have probably been engaged in work of an unpleasant nature, and with the marks of this work still on them.

Getting New Accounts

The supposed benefit to the bank from carrying a payroll account is that, through the cashing of cheques for the men a deposit business may be worked up, but this is illusion in many cases, as when, as is usual, the men live in sections of the city distant from the factory, those who are interested in running savings accounts do so at the branch nearest their homes.

Banks run considerable risk in negotiating pay cheques, unless the issuer releases them from responsibility for the endorsement, and this many concerns balk at doing, as they want all the protection the law can give them.

A considerable number of big cheques are lost, and attempts made to negotiate then with forged endorsements.

No Profit on Cheques

The bank cashing a pay cheque makes no profit on it, but is held responsible for the endorsement, hence the need for proper identification. When a pay cheque is negotiated by the wrong party, and the rightful owner claims on the issuer, the first thought of the latter is what bank can be held liable, and as, in law, a pay cheque does not differ from any other cheque, the bills of exchange act will decide. When a bank takes a pay cheque from a merchant on deposit, and it is found to have a forged endorsement, the bank is protected by the endorsement of its customer. The merchant taking a pay cheque in settlement of an account is making the ordinary mercantile profit on the transaction, and, as he may be expected to know his own customers he is therefore not taking a risk. When the bank negotiates it for him it is only equitable that he assume the responsibility as any profit therefrom is made by him.

Cheques to Bearer

Some organizations issue their pay cheques payable to bearer, and the receipt they take from their employee gives them a discharge of the account. It is then up to the rightful owner of the cheque to negotiate it where he likes. If he loses the cheque, and it is cashed by the finder, it is the same as if he had lost the cash. This would appear to be the fairest method of handling pay cheques, so far as their negotiation is concerned. Then, if a branch bank wanted to accommodate a workman by cashing a pay cheque drawn on another bank, it would not be putting on it the onus of guaranteeing the endorsement. The advisability of making a free loan until it could be realized on would be no greater, but it would at least relieve the branch of that responsibilty which at present makes it necessary to insist on proper identification for its own protection, in case the issuer later claims the endorsement to be a forgery, and demands payment from the bank.

Adopt American Practice

In the not distant future, Canadian banks will be forced to adopt American practice in regard to charges for operation of payroll accounts, and the obtaining of a release of responsibility for endorsements, and, in fact, it is strange that something along these lines has not been instituted before now. It is simply a matter of analyzing the costs and then by mutual agreement deciding on an adequate charge. In any other line of business such an agreement would have been made long ago, and, as there can be no doubt as to the fairness of such a charge, it would be paid without question, so long as it was clear that it was a standard charge. True, there seems to be a general objection when banks make an agreement as to rates, but if the American practice were followed of advertising their intention to put such charge into effect, and giving in detail the reasons therefor, this could no doubt be easily overcome. Such a plan would standardize the system of dealing with pay cheques, and would probably have the support of organized labor, as well as of the public at large.

Bank Chat

G. K. Tinney has been appointed manager of the Bank of Montreal's new branch recently opened at Blenheim, Ont.

A branch of the Bank of Montreal has been opened at Tillsonburg, Ont., under the management of D. T. McGuire.

J. C. Clark is manager of the Bank of Montreal's new branch at Strathroy, Ont.

B. E. Elmore has been appointed manager of the North End Branch of the Dominion Bank at Winnipeg, Man., and B. E. Hull has been appointed manager of the Portage Avenue branch.

C. H. Johnston has been appointed accountant at the Moose Jaw branch of the Dominion Bank.

The Royal Bank announces the opening of a branch at Whitby, Ont.

Moreland Robinson, recently promoted to the position of assistant manager of the Royal Bank at Santa Domingo, Dominican Republic, has returned to Santa Domingo after a visit to his home in Fredericton, N.B.

D. J. MacLean, formerly at Whitney Pier, is now accountant at the Bridgetown, N.S., branch of the Royal Bank.

R. M. Boyd, formerly manager of the Royal Bank of Canada at Truro, N.S., has been transferred to Halifax. Frank T. Palfrey, of Montreal, succeeds Mr. Boyd as manager at Truro. Mr. Boyd has been in the service of the bank for about a quarter of a century. He has served successfully at Vancouver, Regina, and finally at Truro, where he succeeded Martin Dickie.

Alfred H. Bazett has been appointed manager of the Guelph branch of The Dominion Bank in succession to A. E. Gibson who recently retired. Mr. Bazett has been with the Dominion Bank since the suspension of the Sovereign Bank, about twenty years ago . For the past five years he has been attached to the head office staff.

Kenneth Herald has been promoted to the position of manager of the Yonge and Bedford Streets branch of the Bank of Toronto. Mr. Herald was formerly accountant at the Coburg branch.

B. O. Moxon, for the past 3 years manager of the Halifax office of the Royal Bank, will sever his connections with the bank on July 31st. Mr. Moxon has accepted the position of vice-president and general manager of the cold storage plant, now being erected at Halifax.

Mr. Moxon has been connected with banking circles for the past twenty years. Entering the Royal Bank in Truro, his home town, he was sent to Montreal in 1910, remaining there for six months, and then going to Toronto, where he was stationed for four years. His next move was to Havana, Cuba, for a stay of ten years. From Havana Mr. Moxon came to Halifax.

H. R. Delany, who has been accountant at the Royal Bank at North Sydney for some time, has been transferred to relieving duty and is at Springhill.

Frank D. Dunn is relieving H. P. Pethick as manager of the Bank of Nova Scotia, Dartmouth branch.

James McKeown is relieving P. C. Marsh as manager of the Dominion Bank at St. Thomas, Ont., during the latter's holidays.

Harold Scott has been appointed branch manager of the Imperial Bank at Sault Ste. Marie.

Ontario Government Savings Offices are reported to be considering the opening of a second branch at Hamilton, Ont. There are at present 15 offices throughout the province, at Aylmer, Brantford, Hamilton, Newmarket, Ottawa, Owen Sound, Pembroke, Seaforth, St. Catharines, St. Mary's, Toronto (3), Walkerton and Woodstock. None have been added since the present government came into office in 1923.

The funds turned over to the government are loaned to farmers through the Agricultural Development Board. Deposits in the 15 branches increased by $450,000 in the fiscal year 1927.

A branch of the Imperial Bank has been opened at Caledonia, Ont. M. G. Coburn, formerly accountant at Brantford, has been appointed manager.

The Oliver branch of the Canadian Bank of Commerce has been reopened on a permanent basis under the management of W. A. Bain.

Since the beginning of 1927 the Canadian Bank of Commerce has almost doubled the number of its branches in the City of Montreal. In that period seven new branches have been opened up, increasing the present total to 15. The new branches are as follows: At 4829 Wellington Street, Verdun; Woodland Avenue, Verdun; Phillip's Square; 3200 Masson Street, Rosemount; 6712 St. Hubert Street, 2300 Mount Royal Avenue East, and the recently opened "Stadium" branch. The bank now has 89 branches in the Province of Quebec.

Canada Vinegar's Earnings Are Good

Earnings of Canada Vinegars Limited are stated to be well ahead of recent estimates, and there now seems little doubt but that the recent estimate of $225,000 net or more than $2.44 a share, will be more than reached. Already two-thirds of the company's fiscal year which ends November 30th next, has been completed, and earnings to date are said to be more than their share of this original estimate.

The busiest season in the vinegar business, the pickling and preserving season, is yet to come; and while it is early to estimate this volume of business, it is sure to be sufficiently large to bring earnings well above the $225,000 estimate of a couple of months ago.

Western business of the company is reported to be particularly satisfactory, the Winnipeg and Calgary plants operating at capacity to meet demands for the product. Economies brought about by the consolidation of the various plants have been substantial, with a beneficial effect upon earnings.

George Weston's Earns $6 a Share

Earnings for the first half of 1928 are in excess of the whole year 1927, and every indication for a still better showing in the second half of this year —such are the reported operations of George Weston, Limited, for the six months ended June 30th last.

Volume of business of George Weston, Limited, including its subsidiary, William Patterson, Limited, has been quite satisfactory; and earnings for the six months are stated to have been more than $100,000 after generous allowance for depreciation.

As the second half of the year is usually the big half for such companies, it is expected that earnings for the twelve months based on past six months' showing will be more than double a year ago. After paying preferred dividends and all charges it is estimated that net earnings will be equivalent to $6 a share on the common stock against $2 a share in 1927.

Weekly Bank Clearings

(As compared with same week last year)

WEEKLY BANK CLEARINGS

Eastern Cities	July 21, 1927	July 21, 1928
Halifax	$ 3,224,143	$ 3,524,866
Sherbrooke	1,035,623	1,035,530
Moncton	982,505	1,035,580
Quebec	7,197,373	7,224,625
Montreal	111,089,482	141,234,255
Ottawa	7,437,589	8,240,237
Kingston	893,104	1,038,480
Peterboro	831,407	992,227
Toronto	104,430,981	136,081,568
Hamilton	5,644,355	6,258,514
Brantford	1,282,536	1,563,501
London	3,078,780	3,659,182
Kitchener	1,151,873	1,218,394
Windsor	....	4,980,271
Fort William	1,024,180	1,486,727

Western Cities	July 21, 1927	July 21, 1928
Winnipeg	$44,397,790	$ 70,340,991
Brandon	645,526	761,914
Regina	4,188,755	5,222,183
Moose Jaw	1,241,140	1,290,908
Saskatoon	2,195,253	2,432,703
Prince Albert	390,696	458,484
Lethbridge	581,992	751,811
Calgary	6,734,901	10,243,633
Edmonton	5,726,046	6,854,122
Medicine Hat	290,870	453,688
N. Westminster	845,031	800,675
Vancouver	17,848,819	17,848,818
Victoria	2,372,434	3,061,683
Chatham	....	678,062
Sarnia	....	725,835

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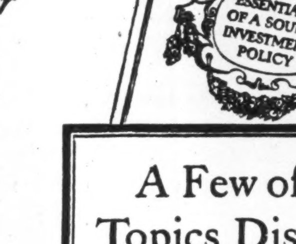
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15B

Additional Mining News

(See also pages 26 to 28)

Future of Hollinger Will Depend Largely on Schumacher Area

May Provide Rich Ore to Bring Up Average Grade

MR. TIMMINS FRANK

Will Draw Heavily on Surplus Account to Take Care of Dividend

President N. A. Timmins statement regarding Hollinger Consolidated Gold Mines is a frank setting out of the present position of the enterprise. It is not a pleasing picture for shareholders, though it carries the assurance that there is no intention of cutting the dividend at present. However, it would seem that if improvement does not take place in the not distant future, some curtailment will be necessary.

One point that has been raised time and again and which is yet to be satisfactorily explained is the reduced daily tonnage. Mr. Timmins statements shows that the mill is handling under 5,000 tons which is about 2,000 tons under the maximum which the mine is said to have achieved at one time during 1927. As far as can be made out from Mr. Timmins statement there are no signs that the mine is not yielding as much as in the past. The trouble is with the grade. He quoted Mr. Brigham's statement at the annual meeting that while values at depth persist, they have proved disappointing but show no signs of disappearing or feathering out.

The last half of the year will be a nervous one for Hollinger shareholders.

It should see the Schumacher property opened out in a fairly large way. There are many mining men who expect that property to provide Hollinger with a tremendous tonnage of rich ore. If this works out, it will help to bring up the average of the mine.

Mr. Timmins statement follows:

There is no disagreement or lack of co-operation among the higher officials. On the contrary, the utmost harmony and good feeling prevails, and no changes in the staff are contemplated. No more than seasonal changes have occurred among the employees, who number about 2,350, as against an average of 2,497 during the year 1927.

A number of plans have been under consideration with a view to further work on the Kamiskotia claims, which represent an investment of about $350,000, and it is expected that one will presently be evolved which will appeal to the directors and result in turning this asset to good account.

The company now holds 18,000 shares of Noranda stock.

The back-filling situation, to which reference has frequently been made, is perfectly satisfactory to the management, and need cause no uneasiness.

Operations to July 7 show the following results, but in some cases the figures are approximate only: Tons milled, 916,652; average tons per day, 5,053; value per ton recovered, $6.22; profits from all sources, $2,000,900. At present the daily tonnage milled is about 4,686 tons, and the value per ton recovered, $6.35.

The fire of Feb. 10 has cost to date $228,000 actual outlay, which is not likely to be increased to any appreciable extent, besides eleven days' complete shut-down and subsequent delays in starting.

A largely increased and greatly intensified development program has also decreased operating profit very materially. Development on the lower levels on the Hollinger side is being actively followed up, and work on the Schumacher shaft expedited as far as possible. The present objective is 4,000 feet, which should be attained in about two months' after which lateral work will be undertaken. As a result of the development work now proceeding we expect to obtain definite results on conditions at depths before the end of the year. As pointed out by Mr. Brigham at the annual meeting, while values at depth persist they have proved disappointing, but show no signs of disappearing or "feathering out."

The figures given show that in order to maintain the dividend at the present rate it has been necessary to encroach on surplus to the extent of about $1,300,000, which includes the direct and indirect losses due to the fire, amounting to slightly over $400,000, and the extra outlay of development is compared with the previous year.

After giving the matter full consideration and taking into account the possibility of improved conditions at depth, which is not an unreasonable assumption, and keeping in view the fact that a legitimate use of a surplus built up out of profits may be to help out with dividends to a reasonable extent when conditions call for such action, the directors have decided not to make any change in the dividend rate at the present time.

Opening Up Amulet on the 150-ft. Level

Underground work on a large scale on the 150-foot level of Amulet has now been commenced. Approximately 1,000 feet of cross cutting will be carried on on this level before a further sinking of the shaft will be considered. This work will tap three ore bodies, namely, numbers 8, 9 and 10, but will top the large flat lying ore body which was located by diamond drilling south of the fault. From this level, however, diamond drilling can be profitably carried on to further test out the ground in question.

The completion of the electrical survey has given considerable information regarding the probable boundaries and extensions of the ore bodies previously indicated by diamond drilling. It has also opened up a zone some 2,200 feet in length between numbers 2 and 4 areas and has delineated several important appearing conductors in that section. This ground has always been considered ideal geologically for the location of ore and the presence of large conductors established by the Radiore method will be immediately checked up by further drilling.

OPEN K. PREMIER BELOW 1,000 LEVEL

Pushing Ahead on Development and May Build Mill This Winter

Coupled with a new encouraging discovery made on the property and the success being met with in the development campaign on the Kirkland Premier mines property the management is now preparing to sink a winze to 250 feet below the 800 foot level, which will carry it down to 1,050 feet. The winze is being opened at every 125 feet and a station cut, while a diamond drilling and development campaign is being carried out.

With a crew of 20 men now on the Kirkland Premier property under the direction of consulting engineer, N. R. Fisher, and engineer W. R. Osborne, important results are being achieved, with the result that the management, in view of the latest developments, expect that they will have a mill in operation by next spring.

The latest Kirkland Premier drilling has cut ore at a number of points over a distance of a 1,000 feet. Two crosscuts on mineralization assayed $3.80 per ton over the first two feet of it and $11.40 per ton over the balance. The second assayed $6.80 over the first two feet, $4 over the next two feet and $9.20 over the balance. Other drilling results were consistent with the above.

It is the plan of the Kirkland Premier manager to further explore a vein system encountered and to further explore to a depth below the 1,200 foot level as the result of the encouraging results now being encountered. Crosscutting and drifting on the 800 foot level is now under way. A program of deep exploratory work is now starting and the results are such as to warrant the continuing of the development program.

PETE LAKE'S INTEREST

Peterson Cobalt's interest in White River Mines amounts to 300,000 shares of the latter company's stock. The development of the Cobalt property will be resumed shortly.

SALES MANAGER

A practical, productive sales manager, with outstanding record for the selection, training and development of salesmen, has sound reasons for desiring change.

Lately had charge of large force for nationally-known organization; instigated a survey and sales analysis which originated a sales plan bringing much more profitable sales and in same period reduced selling costs 17%.

Abundant energy, hard work and a wide experience intelligently applied give him a valuable record for successful results, which is backed by A1 references.

He is in the middle thirties, a Canadian, married with a sound knowledge of advertising, merchandising and general administration. Box 500, The Financial Post, Toronto.

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B. C. SILVER ORE RESERVES TOTAL 7 MILLION GROSS

Chairman Says Still Possibility of Making Deal With Premier

After studying the London reports on B.C. Silver, Portland Canal area, E. A. Haggen, Vancouver mining engineer, concludes that the company has at least proven a mine.

At the annual meeting in London Chairman Hackley, of Selukwe Gold Mining and Finance Co., which is the holding company for B. C. Silver, announced that $93,370 had been written off as advances to the British-Canadian Silver Corporation, which is the London subsidiary operating B. C. Silver; and for expenditures in development of the Schufer property at New Hazelton on which the company's bond had been abandoned. The Selukwe Company had advanced $400,000 for development of B. C. Silver, as that company's capital had become exhausted, and the Premier Gold Mining Co., which holds a 38 per cent. unassessable interest, had refused to allow an increase of the capital of that company.

The interesting statement was made that the Premier Company had examined the mine and made a proposal to work it, and treat the ore on the basis of a fixed operating charge per ton, the contract to extend over ten years. The offer was not accepted, and the London board of directors decided to continue development with a view to proving up ore of a known quantity and value.

May Make Deal Yet

It was evident from the chairman's remarks that the deal with Premier is still a possibility, and that the matter remains open for further negotiations. As to results of development, it was stated the length of ore formation expected to be encountered south of the shaft is 750 feet, and that it contains rich ore shoots, attaining a width of 40 feet, with values of $25 a ton.

The company's engineer reported the ore reserves developed in the B. C. Silver mine at 466,000 tons, of a gross value of $6,590,000. This is equivalent to $14.14 per ton, and is about the average of Premier ore. The profit on treatment of this ore is placed at 50 per cent., or $3,295,000. As the authorized and issued capital of B. C. Silver is $1,500,000, the prospective profit is thus over 100 per cent. on the par value of $1 per share.

Not So Favorable

Reports on Sebakwe are not so favorable. The situation is clearly set forth in the following extract from the report of the Premier Company's engineers, who recently examined it:

"Summarizing the results of our examination, we find that there are no bodies of ore actually blocked out on even two sides by tunnels or by diamond drill holes, and hence any figures for tonnage and outcome given herewith are based on the assumption that the ore drifted through in the main tunnel will continue upward and downward certain distances as indicated, and that the grade will remain at certain values. Assuming ore cut in main tunnel will carry up 50 feet and down 100 feet, we can block, as possible ore in two shoots, 16,794 tons of a $13.41 average grade. Using Premier production costs of mill ore based on the first six months of 1927, which, we believe, are about what could be maintained should we mine this ore, we have a possible profit of $76,492.

"If we assumed a total depth of 150 ft. and $12 value, we would have 24,990 tons and a possible profit of $83,716.

The Selukwe Company announces that in event of no arrangement being made with Premier it will "gang its own gait," which means that it will construct its own mill and proceed with production eventually.

Scarab Mines Opens Huge Sheared Zone

Scarab Mines, Manitoba, is carrying out an extensive surface exploration on its holdings in Rice Lake area. A large sheared zone with widths up to 120 ft. is practically opened up. No effort has been made to sample the veins showing in this zone. A crew of 200 men is engaged and when the whole zone is opened, President Ross says it is the intention of the company to call in a consulting engineer who would make an examination of the property, sample it thoroughly, and then report to the directors as to the future course of operations.

Additional interest is lent to the Scarab situation in view of the fact that it adjoins the San Antonio gold property to the north and east.

Cork Province Should Produce by Sept. 1

Kaslo, B. C. Cork Province property will produce about September 1. The remodelling of the mill and construction of new power plant are being pushed. The mill will handle 150 tons daily. W. H. Burgess, managing director, says when power is ready a large development program will be started. There is already a large amount of ore blocked out.

Millions use
WAKEFIELD
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MOTOR OIL
There's a 2000 Mile Trip in Every Filling!

Drain Flin Flon Lake by 6,000 ft. Tunnel

Hudson Bay Mining and Smelting Co. will drain part of Flin Flon Lake where it is known that ore exists. This section of the lake is being shut off by a dam, but as yet the decision as to how the water will be removed has not been arrived at. One plan is to pump it out and the other running a 6,000-foot tunnel from the Ross Lake vicinity on the east, which would have its portal 60 feet below the water level of the lake, and thus provide natural drainage. If the pumping scheme is used, an area of nearly one-half square mile and averaging 15 feet deep, would have to be drained, or approximately 45,000,000 cubic feet of water. There is also a 40 or 50-foot depth of silt and mud covering the bottom of the lake, which would have to be removed. The tunnel could be drilled for about $25 a foot, a total cost of around $150,000.

Finding New Ore Bodies Makes Abana Operation Loom Big for Quebec

Two Important Discoveries Are Made on 300-ft. Level

Abana Mines, in North West Quebec, some 45 miles north of Noranda, looms as the next producer for Quebec, although Aldermac or Waite-Ackerman-Montgomery, may ship some high grade before Abana's concentrator is ready, which will likely be late in the coming fall. Aldermac will erect a large concentrator and it may be that one will be erected at Waite property also.

Developments on Abana have been very important, the most significant being the finding of a new copper-zinc ore body on the east side of the diabase dyke on the 300-ft. level. It shows a width of 33 feet where cut. Still another ore body has been cut by diamond drilling, 40 feet to the north and the drill core shows principally zinc.

Good Length Indicated

The south-eastern extension of these ore bodies was cut at a point 450 feet south-east of the diabase dyke at the 150-ft. level by diamond drilling from the surface. Ore bodies Nos. 2 and 3 have, therefore, a possible length of 450 ft. Drifting is now proceeding on ore body No. 2 at the 300-ft. level, and to date this drift has been extended for 125 ft. in ore. It is the intention to crosscut ore bodies Nos. 2 and 3 at 100-ft. intervals for sampling and measurement.

Ore body No. 1, west of the diabase dyke which averages about 30 ft. wide, has been cut by diamond drilling at a point between the 550 and 600-ft. levels. It shows a width of 28 to 30 ft. In diamond drilling for the downward extension of ore body No. 1 from the 300 ft. level, ore body No. 4 was encountered parallel to and about 25 ft. west of ore body No. 1, and showed about 8 ft. in width of copper ore. This orebody No. 4 is a new deposit and does not show at the 300-ft. level, and was cut about 150 ft. below this level.

May Find Others

From the above it is reasonable to assume that there is a possibility of encountering new ore bodies as exploration continues at depth in the ore zone which is about 100 ft. wide and contains the above mentioned orebodies.

The ore wherever encountered in this ore zone appears to be uniform and of such grade as to show a good margin of profit, and furthermore the indicated ore reserves have been about trebled since the last official report.

The concrete for the foundations of the two 550-h.p. Diesel engines has been laid, and one of these engines will be installed within the next couple of weeks. Work has also been started on the foundation for the concentrator. The bunkhouse and cookery for the accommodation of 100 men is about completed, and the new staff house and office is ready for occupation.

FORT HOPE SHAFT CUT SECOND VEIN

Level Will be Established at 125-ft. and Lateral Work Undertaken

Sinking of the shaft at the Fort Hope Gold Mines, on the Albany River, has reached a depth of 100 feet. At a depth of 80 feet a new vein not located on surface was found to cross the shaft. This vein had a good width, and was dipping in a similar direction to the main vein on the property. When the working reaches a depth of 125 feet plans of the company call for cross-cutting to find values in the fracture at that depth. Instead of being able to cross-cut one vein the company will be able to report values in two veins to the shareholders. A commercial ore body was indicated in sampling carried out on surface and further work of this nature is being done at the present time under the direction of Lorne Howey.

Four Gold Dredges Operating

Yukon Consolidated Mining Co. has four dredges in Klondyke Valley. Another is to be added. This company now operates all the Treadgold holdings.

Oil Drillers May Have Extension of Rand Reef

Oil drilling 25 miles east of the known eastern end of the Rand main reef has disclosed distinctly Witwatersrand formation and it may work out that this is an extension of the famous South African ore zone which to-day provides over half the world's gold output.

CALUMET AND HECLA ENTERING ONTARIO

Michigan Copper Operators Have Taken Up Ground in Larder Lake Area

Calumet and Hecla Mining Co., a large Michigan copper operating company, has taken up a group of 27 claims in Larder Lake. A road is being built and surface exploration will soon follow. The find, which brings these properties into prominence, is claimed to be a heavy mineralized zone 100 feet in width, with encouraging values in zinc and copper showing over this width. In addition to the main vein, another parallel outcropping has been located that is to be fully explored. The strike of the mineralized area is north-west and south-east and the vein occurs in a low depression in the ground.

The deal whereby the Calumet and Hecla obtained a working option on the properties involves the payment of $400,000, the owners retaining a small interest in the company organized to work the properties. This is the first time the Michigan Copper Company has undertaken the development of claims in Ontario and considerable interest attaches to their activities.

MANITOBA MINING TO LOSE PROF. WALLACE

After Years in Winnipeg Leaves to Assume Presidency of Alberta University

Prof. R. C. Wallace, Winnipeg, has been chosen president of Alberta University. This is a severe loss to Manitoba.

As commissioner of Northern Manitoba, professor of geology in Manitoba University, and recently as first commissioner of mines for Manitoba, Dr. Wallace because of his ability and wide knowledge of the minerals of that province, was in a position to do a great deal for Manitoba, just at a time when it was coming into its own as a mineral producing province.

It is doubtful, however, if his new position will draw Dr. Wallace away from mining entirely and it may work out that Alberta mining will profit as a result of Dr. Wallace's removal to that province. Dr. Wallace is well regarded by the industry as a whole and a few years ago was honored by election to the presidency of the Canadian Institute of Mining and Metallurgy.

Cold Lake Mines Appoint Manager

George Tribble, a former member of the technical field staff of International Nickel Co., has been placed in charge of Cold Lake mines operation adjoining Sherritt-Gordon on the west.

Shallow drilling is proceeding for the purpose of picking up the western extension of the Sherritt-Gordon body. Already a break of mineralization some 28 feet wide has been encountered, in this drilling which assayed around $2 in copper and gold. It is not possible to state as yet whether this is the much sought for break or not. It could quite possible be a parallel zone of which several are indicated. The core was taken from very shallow depths and contains evidences of oxidation. A deeper hole to under-cut this will be started immediately. Meanwhile surface exploration will be extended for purposes of locating a site for a permanent camp.

Ribago Shareholders Will Receive Rights

Ribago Sudbury mines is the name of a new company being organized by Ribago Copper Corp. Shareholders will get one new share for two old. The new company has taken up 800 acres, part of the holdings of Chelmsford Mining Co.

In addition to receiving rights in Ribago Sudbury Mines, Limited, the parent company will also receive 1,000,000 shares of Ribago Sudbury stock outright for its treasury. Physical assets of Ribago Copper Corporation include a large group of claims in Hess township, adjoining the Lake Geneva Mines property, and a third interest in 13 claims in Lorne township.

Wainwell Will Offer Shares in Subsidiary

Shareholders in Wainwell Oils, Ltd., are to receive rights to take up stock in a subsidiary formed to operate the refinery at Wainwright, recently purchased by the company.

The subsidiary will be known as the Wainwell Refining Co., Ltd., and will have a capitalization of 300,000 shares of no par value. The Wainwell Oils, Ltd., will hold 66 per cent. of the stock and the balance will be offered to shareholders.

Are you interested in
Sudbury Basin
Mandy
Jackson Manion?
Our advice gladly given in request.
J. C. RUSE & CO.
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FABULOUS RICH ORE OF SMITHERS ATTRACTING MANY

Toronto Man Closes Deal in Two Hours After Studying Reports

Smithers section of British Columbia, which is located on the Prince Rupert section of the Canadian National Railway, is coming to the front rapidly and promises to provide some rather sensational operations due to the phenomenal richness of the ore opened up on several groups. Gold, silver and copper predominate. The copper is grey and runs high in silver.

Edward G. Brown, Vancouver, who has been interested in the Little Joe and Mohawk, both of which are in that section, has just disposed of control of Hyland Basin mines to Grant Mahood. This will now become one of the assets of Alexandria Gold Mines. Mr. Brown came to Toronto armed with engineers' reports and results of assays by four leading engineers on the property. It took Mr. Mahood two hours to close the deal after studying the reports. He says he was taking no chances when he found the engineers so unanimous. Incidentally the nearby Mohawk was recently sold to Federal Mining and Smelting.

Duthie Mine, which is close to Hyland Basin and the old Cronyn Mine, Babine Bonanza, has shipped some very high grade ore, giving a smelter return of $259 after paying transportation charges of $30 and then the smelter costs. Topley Richfield in the same general area, shows values around $145 in silver and zinc and copper with gold up to $14. Silver King, Silver Cup and Albany are other high grade ventures in the area.

Mr. Brown says that considerable high grade is already bagged to the Hyland. He says it is a grass root proposition. The vein strikes with the slope of the hill and this gives fifty feet of depth. Thos. Davey, consulting engineer, and Mr. Mahood are now on their way to the property and it is expected that some time next month shipments of high grade will start.

John R. Turner, J. D. Galloway, Provincial Mineralogist, Douglas Lay, resident engineer of the B. C. Department of Mines, and A. E. Haggen, M.E., are the four engineers who examined the Hyland, says Mr. Brown, and their reports were practically the same. Each in sampling got sensationally high values. Mr. Galloway took his sample of a 5 ft. width, which is about the average as the vein runs from 18 inches to 12 ft. He got various values the lowest being $57. Mr. Lay in his report to the Minister of Mines, tells of his visit to the property. He says:

> On this group, at or near what appears likely to be the junction of two veins, there is exposed on the surface over a length of approximately 70 feet a very promising band of mixed galena, zinc-blende, and quartz of an average width of 1.5 feet. Grey copper and copper-stains are also in evidence. A sample was taken of pieces of broken ore lying in a pile alongside the open-cut, which assayed: Gold, 1.42 oz. to the ton; silver, 440 oz. to the ton; lead, 22 per cent.; zinc, 13 per cent. Such can, of course, only be regarded as an indication of the kind of values to be expected in selected ore. Nevertheless, the ore is of undoubted high grade in precious metals.
>
> Some considerable distance from this surface showing one short crosscut and one adit-tunnel, approximately parallel to the vein strike, have been run. The latter is approximately 190 feet in length and crosscuts have been run from it to penetrate the vein. Some crosscutting was, it is understood, carried out in the long adit in the fall of 1926, but the vein was not struck.
>
> The obvious objective at this property is the exploration of the surface showing described, which could readily be accomplished by sinking a shaft in it from the surface.

Prepare for Big Movement

Port authorities are preparing for the greatest test they have had since Vancouver became a grain shipping centre. Wheat is expected to flow through this port in immense volume. Factors contributing to this are the large Alberta crop, estimated in excess of 200,000,000 bushels, a greater part than ever of which is expected to find outlet by the Pacific coast, and the heavy Russian purchases, a large part of which will be shipped from here.

Drilling of Stralak Group is Likely

Percy E. Hopkins, consulting geologist, has completed an examination on the development work done on the property of Sudbury Concentrating & Mining Co., at Stralak. Mr. Hopkins' report and recommendations are expected to be made very shortly. He has intimated that he will recommend diamond drilling.

PEERLESS BUILDING SHERBROOKE, QUE.

Light Manufacturing space to let. 14,000 ft. available. Perfect lighting. Sprinkler system throughout. All or part to let at attractive price. Centrally situated. Apply W. Hall, 205 Wellington St. S., Sherbrooke, Que., Telephone 2641; or at Peerless Building, 138 Laurier Ave.

McIntyre Porcupine Mines, LIMITED

(No Personal Liability)

DIVIDEND NO. 39

Notice is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on September 1, 1928, to Shareholders of record at the close of business on August 1, 1928.

By order of the Board.
BALMER NEILLY,
Treasurer.

Dated at Toronto, July 19, 1928.

THE A.W. Chase Company LIMITED

DIVIDEND NOTICE

Notice is hereby given that the regular 2% quarterly dividend on the 8% preferred stock of this Company has been declared for the quarter ending July 31st, 1928, payable August 10th, 1928, to shareholders of record July 31st, 1928.

By order of the board.
W. J. STONE,
President.

Toronto, July 24th, 1928.

ZIMMERKNIT, LTD.

Preferred Stock Dividend No. 5

Notice is hereby given that a dividend for the current quarter, at the rate of seven per cent. (7%) per annum, will be paid by cheque on or after August 1st, 1928, to preferred shareholders of record at the close of business on the 20th day of July, 1928.

ZIMMERKNIT, LIMITED

FACTORY FOR SALE
Solid Brick
25,000 ft. of floor space
Covers 3 acres of land
Adjacent to centre of Oshawa
Will divide if necessary.
Apply
GRIERSON & CREIGHTON
Standard Bank Bldg.
OSHAWA, ONT.

Tenders For Debentures.

The Town of Haileybury invite tenders for purchase of twenty-year debentures bearing 6% interest, amount $25,000.00. Tenders will close at 5 P.M., August 10th, 1928.

H. CLIFFORD, Clerk.

The Royal Bank of Canada

DIVIDEND No. 164

Notice is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of September next, to shareholders of record at the close of business on the 31st day of July.

By order of the Board.
C. E. NEILL,
General Manager.

Montreal, Que., July 10, 1928.

INTERNATIONAL PAPER COMPANY

New York, June 26th, 1928.

The Board of Directors have declared a quarterly dividend of sixty (60c) cents a share on the Common Stock of this Company, payable August 15th, 1928, to common stockholders of record at the close of business, August 1st, 1928.

Checks to be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President and Treasurer.

The Canadian Bank of Commerce

Dividend No. 166

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1928, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1928. The transfer books will not be closed.

By Order of the Board,
S. H. LOGAN,
General Manager.

Toronto, 20th July, 1928.

SALE OF PINE TIMBER

Tenders will be received by the undersigned up to and including Monday, the 20th August, 1928, for the right to cut the Red and White Pine, and Jack Pine 12" and over in diameter on the stump, 18" from the ground, on the Townships of Chester and Neville, District of Sudbury.

Further particulars may be obtained upon application to the undersigned, or to Mr. J. G. McCaw, Acting Crown Timber Agent, Sudbury.

W. FINLAYSON,
Minister of Lands and Forests.

N.B.—No unauthorized publication of this Notice will be paid for.

Toronto—July 10, 1928.

ONTARIO

NOTICE TO COMPANIES

All companies incorporated or carrying on business or having an office in Ontario shall make Annual Returns to the Provincial Secretary of Ontario, and especial attention is called to the provisions of an Act passed at the last Session of the Legislature, whereby lists of shareholders will not be filed unless a special demand is made for same. This does not apply to lists of officers of companies, which should be included with Annual Returns as heretofore.

Companies in arrears must file all Annual Returns due forthwith, in default of which proceedings will be taken to collect prescribed penalties.

L. GOLDIE,
Provincial Secretary of Ontario.

Toronto, June 25th, 1928.

WANTED—HIGH CLASS BOND SALESMAN by long established firm having branches throughout Canada. Must have at least four years' experience and good record. Reply giving references as to ability, character and education, whether married or not, and salary required. Position offers excellent opportunity for right man. Replies strictly confidential. Apply Box 176, The Financial Post, 143 University Avenue, Toronto, Ont.

C. W. LINDSAY & CO. LIMITED

Notice is hereby given that a dividend at the rate of 6½% per annum on the Preferred Capital Stock of this company, has been declared for the quarter ending August 31st, 1928, payable September 1st, 1928, to shareholders of record August 20th, 1928.

By order of the board.
BENJ. A. EDWARD,
Secretary.

July 24th, 1928.

HELP WANTED—MALE

ACCOUNTANT

for large commercial organization with experience in Manufacturing Costs and General Control accounting—good opportunity for energetic, progressive young man, not over 35 years of age.

Apply, stating age, experience and salary required to Box No. 170, Financial Post, Toronto.

Wanted, by an Engineer with varied, thorough and practical experience of 18 years, unimpeachable references and record, capable of constructive ideas, and executive ability, possesses a good knowledge of the Dominion, proposals from those who can use such experience: desire position that will become permanent; letter in first instance to Box 174, The Financial Post, Toronto, Ont.

The Bank of Toronto

Dividend No. 188

Notice is hereby given that a Dividend of Three per cent. upon the Paid-Up capital stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of September next, to shareholders of record on August 15th, 1928.

By Order of the Board.
H. B. HENWOOD,
General Manager.

Toronto, July 11th, 1928.

WAYAGAMACK PULP & PAPER COMPANY LIMITED

Dividend No. 14

Notice is hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the No Par Value Common Stock of the Company, for the quarter ending August 31st, 1928, payable September 1st, 1928, to Shareholders of record at the close of business on August 15th, 1928.

By order of the Board,
D. L. ADAMS,
Secretary-Treasurer.

Montreal, Que., July 19, 1928.

NOTICE OF MEETING

The Canadian Bank of Commerce

Notice is hereby given that a special general meeting of the shareholders of the Canadian Bank of Commerce will be held at the head office of the Canadian Bank of Commerce at 23-25 King Street West in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, 1928, at the hour of 12 o'clock noon (daylight saving time), for the purpose of submission to the said shareholders of an agreement for the sale by the Standard Bank of Canada to the Canadian Bank of Commerce and for the purchase by the Canadian Bank of Commerce from the Standard Bank of Canada of the whole of the assets of the Standard Bank of Canada upon the terms set out in such agreement and for the purpose of considering such agreement and for the purpose, if thought fit, of approving of the same, and also for the purpose, if thought fit, of passing a by-law fixing the number of directors of the Bank at thirty-seven and amending By-law Number One of the Consolidated By-laws of the shareholders to give effect thereto.

By order.
S. H. LOGAN,
General Manager.

Toronto, the twentieth day of July, 1928.

ADVERTISING

MacLean's Magazine has good opening for an experienced advertising man who has broad knowledge of merchandising. Must be able to write effective promotion literature and qualified to carry out market investigations and to prepare sound proposals for prospective advertisers.

Interested parties possessing the necessary qualifications are invited to apply by letter giving details of age, education, business experience and other particulars, to Business Manager, MacLean's Magazine, 153 University Avenue, Toronto.

The Standard Bank of Canada

Notice is hereby given that a special general meeting of the Shareholders of The Standard Bank of Canada will be held at the Head Office of The Standard Bank of Canada, at 15 King Street West, in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, one thousand nine hundred and twenty-eight, at the hour of eleven o'clock (daylight saving time) in the forenoon for the purpose of submission to the said Shareholders of an agreement for the sale by The Standard Bank of Canada to The Canadian Bank of Commerce, and for the purchase by The Canadian Bank of Commerce from The Standard Bank of Canada of the whole of the assets of The Standard Bank of Canada upon the terms set out in such agreement, and for the purpose of considering such agreement, and for the purpose, if thought fit, of approving of the same.

By order
N. L. McLEOD,
General Manager.

Toronto, the 18th day of July, A.D., 1928.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after SATURDAY, the FIRST day of SEPTEMBER next, to Shareholders of record the 31st July, 1928.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 20th July, 1928.

Additional Mining News

(See also pages 26 to 28)

Future of Hollinger Will Depend Largely on Schumacher Area

May Provide Rich Ore to Bring Up Average Grade

MR. TIMMINS FRANK

Will Draw Heavily on Surplus Account to Take Care of Dividend

President N. A. Timmins statement regarding Hollinger Consolidated Gold Mines is a frank setting out of the present position of the enterprise. It is not a pleasing picture for shareholders, though it carries the assurance that there is no intention of cutting the dividend at present. However, it would seem that if improvement does not take place in the not distant future, some curtailment will be necessary.

One point that has been raised time and again and which is yet to be satisfactorily explained is the reduced daily tonnage. Mr. Timmins statements shows that the mill is handling under 5,000 tons which is about 2,000 tons under the maximum which the mine is said to have achieved at one time during 1927. As far as can be made out from Mr. Timmins statement there are no signs that the mine is not yielding as much as in the past. The trouble is with the grade. He quoted Mr. Brigham's statement at the annual meeting that while values at depth persist, they have proved disappointing but show no signs of disappearing or feathering out.

The last half of the year will be a nervous one for Hollinger shareholders.

It should see the Schumacher property opened out in a fairly large way. There are many mining men who expect that property to provide Hollinger with a tremendous tonnage of rich ore. If this works out, it will help to bring up the average of the mine.

Mr. Timmins statement follows:

There is no disagreement or lack of co-operation among the higher officials. On the contrary, the utmost harmony and good feeling prevails, and no changes in the staff are contemplated. No more than seasonal changes have occurred among the employees, who number about 2,350, as against an average of 2,497 during the year 1927.

A number of plans have been under consideration with a view to further work on the Kamiskotia claims, which represent an investment of about $350,000, and it is expected that one will presently be evolved which will appeal to the directors and result in turning this asset to good account.

The company now holds 18,000 shares of Noranda stock.

The back-filling situation, to which reference has frequently been made, is perfectly satisfactory to the management, and need cause no uneasiness.

Operations to July 7 show the following results, but in some cases the figures are approximate only: Tons milled, 916,652; average tons per day, 5,053; value per ton recovered, $6.22; profits from all sources, $2,000,900. At present the daily tonnage milled is about 4,686 tons; and the value per ton recovered, $6.35.

The fire of Feb. 10 has cost to date $228,000 actual outlay, which is not likely to be increased to any appreciable extent, besides eleven days' complete shut-down and subsequent delays in starting.

A largely increased and greatly intensified development program has also decreased operating profit very materially. Development on the lower levels on the Hollinger side is being actively followed up, and work on the Schumacher shaft expedited as far as possible. The present objective is 4,000 feet, which should be attained in about two months' after which lateral work will be undertaken. As a result of the development work now proceeding we expect to obtain definite results on conditions at depths before the end of the year. As pointed out by Mr. Brigham at the annual meeting, while values at depth persist they have proved disappointing, but show no signs of disappearing or "feathering out."

The figures given show that in order to maintain the dividend at the present rate it has been necessary to encroach on surplus to the extent of about $1,300,000, which includes the direct and indirect losses due to the fire, amounting to slightly over $400,000, and the extra outlay of development is compared with the previous year.

After giving the matter full consideration and taking into account the possibility of improved conditions at depth, which is not an unreasonable assumption, and keeping in view the fact that a legitimate use of a surplus built up out of profits may be to help out with dividends to a reasonable extent when conditions call for such action, the directors have decided not to make any change in the dividend rate at the present time.

Opening Up Amulet on the 150-ft. Level

Underground work on a large scale on the 150-foot level of Amulet has now been commenced. Approximately 1,000 feet of cross cutting will be carried on on this level before a further sinking of the shaft will be considered. This work will tap three ore bodies, namely, numbers 8, 9 and 10, but will top the large flat lying ore body which was located by diamond drilling south of the fault. From this level, however, diamond drilling can be profitably carried on to further test out the ground in question.

The completion of the electrical survey has given considerable information regarding the probable boundaries and extensions of the ore bodies previously indicated by diamond drilling. It has also opened up a zone some 2,200 feet in length between numbers 2 and 4 areas and has delineated several important appearing conductors in that section. This ground has always been considered ideal geologically for the location of ore and the presence of large conductors established by the Radiore method will be immediately checked up by further drilling.

OPEN K. PREMIER BELOW 1,000 LEVEL

Pushing Ahead on Development and May Build Mill This Winter

Coupled with a new encouraging discovery made on the property and the success being met with in the development campaign on the Kirkland Premier mines property the management is now preparing to sink a winze to 250 feet below the 800 foot level, which will carry it down to 1,050 feet. The winze is being opened at every 125 feet and a station cut, while a diamond drilling and development campaign is being carried out.

With a crew of 20 men now on the Kirkland Premier property under the direction of consulting engineer, N. R. Fisher, and engineer W. R. Osborne, important results are being achieved, with the result that the management, in view of the latest developments, expect that they will have a mill in operation by next spring.

The latest Kirkland Premier drilling has cut ore at a number of points over a distance of a 1,000 feet. Two crosscuts on mineralization assayed $3.80 per ton over the first two feet of it and $11.40 per ton over the balance. The second assayed $6.80 over the first two feet, $4 over the next two feet and $9.20 over the balance. Other drilling results were consistent with the above.

It is the plan of the Kirkland Premier manager to further explore a vein system encountered and to further explore to a depth below the 1,200 foot level as the result of the encouraging results now being encountered. Crosscutting and drifting on the 800 foot level is now under way. A program of deep exploratory work is now starting and the results are such as to warrant the continuing of the development program.

PETE LAKE'S INTEREST

Peterson Cobalt's interest in White River Mines amounts to 300,000 shares of the latter company's stock. The development of the Cobalt property will be resumed shortly.

SALES MANAGER

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Lately had charge of large force for nationally-known organization; instigated a survey and sales analysis which originated a sales plan bringing much more profitable sales and in same period reduced selling costs 17%.

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He is in the middle thirties, a Canadian, married, with a sound knowledge of advertising, merchandising and general administration. Box 500, The Financial Post, Toronto.

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B. C. SILVER ORE RESERVES TOTAL 7 MILLION GROSS

Chairman Says Still Possibility of Making Deal With Premier

After studying the London reports on B.C. Silver, Portland Canal area, E. A. Haggen, Vancouver mining engineer, concludes that the company has at least proven a mine.

At the annual meeting in London Chairman Hackley, of Selukwe Gold Mining and Finance Co., which is the holding company for B. C. Silver, announced that $93,370 had been written off as advances to the British-Canadian Silver Corporation, which is the London subsidiary operating B. C. Silver; and for expenditures in development of the Schufer property at New Hazelton on which the company's bond had been abandoned. The Selukwe Company had advanced $400,000 for development of B. C. Silver, as that company's capital had become exhausted, and the Premier Gold Mining Co., which holds a 38 per cent. unassessable interest, had refused to allow an increase of the capital of that company.

The interesting statement was made that the Premier Company had examined the mine and made a proposal to work it, and treat the ore on the basis of a fixed operating charge per ton, the contract to extend over ten years. The offer was not accepted, and the London board of directors decided to continue development with a view to proving up ore of a known quantity and value.

May Make Deal Yet

It was evident from the chairman's remarks that the deal with Premier is still a possibility, and that the matter remains open for further negotiations. As to results of development, it was stated the length of ore formation expected to be encountered south of the shaft is 750 feet, and that it contains rich ore shoots, attaining a width of 40 feet, with values of $25 a ton.

The company's engineer reported the ore reserves developed in the B. C. Silver mine at 466,000 tons, of a gross value of $6,590,000. This is equivalent to $14.14 per ton, and is about the average of Premier ore. The profit on treatment of this ore is placed at 50 per cent., or $3,295,000. As the authorized and issued capital of B. C. Silver is $1,500,000, the prospective profit is thus over 100 per cent. on the par value of $1 per share.

Not So Favorable

Reports on Sebakwe are not so favorable. The situation is clearly set forth in the following extract from the report of the Premier Company's engineers, who recently examined it:

"Summarizing the results of our examination, we find that there are no bodies of ore actually blocked out on even two sides by tunnels or by diamond drill holes, and hence any figures for tonnage and outcome given herewith are based on the assumption that the ore drifted through in the main tunnel will continue upward and downward certain distances as indicated, and that the grade will remain at certain values. Assuming ore cut in main tunnel will carry up 50 feet and down 100 feet, we can block, as possible ore in two shoots, 16,794 tons of a $13.41 average grade. Using Premier production costs of mill ore based on the first six months of 1927, which, we believe, are about what could be maintained should we mine this ore, we have a possible profit of $76,492.

"If we assumed a total depth of 150 ft. and $12 value, we would have 24,990 tons and a possible profit of $83,716.

The Selukwe Company announces that in event of no arrangement being made with Premier it will "gang its own gait," which means that it will construct its own mill and proceed with production eventually.

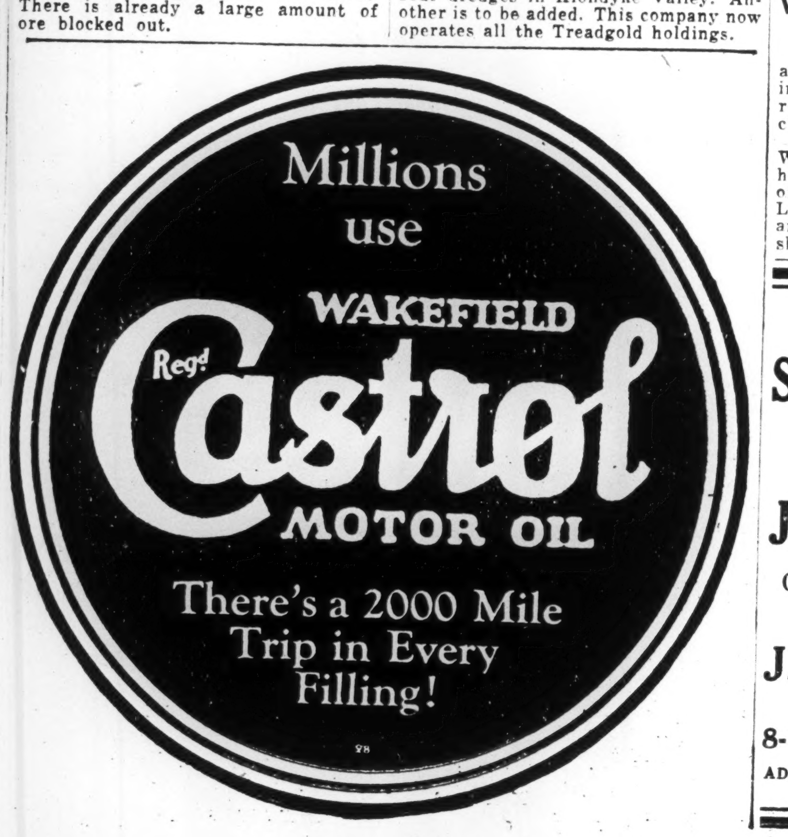
Scarab Mines Opens Huge Sheared Zone

Scarab Mines, Manitoba, is carrying out an extensive surface exploration on its holdings in Rice Lake area. A large sheared zone with widths up to 120 ft. is practically opened up. No effort has been made to sample the veins showing in this zone. A crew of 200 men is engaged and when the whole zone is opened, President Ross says it is the intention of the company to call in a consulting engineer who would make an examination of the property, sample it thoroughly, and then report to the directors as to the future course of operations.

Additional interest is lent to the Scarab situation in view of the fact that it adjoins the San Antonio gold property to the north and east.

Cork Province Should Produce by Sept. 1

Kaslo, B. C. Cork Province property will produce about September 1. The remodelling of the mill and construction of new power plant are being pushed. The mill will handle 150 tons daily. W. H. Burgess, managing director, says when power is ready a large development program will be started. There is already a large amount of ore blocked out.



Drain Flin Flon Lake by 6,000 ft. Tunnel

Hudson Bay Mining and Smelting Co. will drain part of Flin Flon Lake where it is known that ore exists. This section of the lake is being shut off by a dam, but as yet the decision as to how the water will be removed has not been arrived at. One plan is to pump it out and the other running a 6,000-foot tunnel from the Ross Lake vicinity on the east, which would have its portal 60 feet below the water level of the lake, and thus provide natural drainage. If the pumping scheme is used, an area of nearly one-half square mile and averaging 15 feet deep, would have to be drained, or approximately 45,000,000 cubic feet of water. There is also a 40 or 50-foot depth of silt and mud covering the bottom of the lake, which would have to be removed. The tunnel could be drilled for about $25 a foot, a total cost of around $150,000.

Finding New Ore Bodies Makes Abana Operation Loom Big for Quebec

Two Important Discoveries Are Made on 300-ft. Level

Abana Mines, in North West Quebec, some 45 miles north of Noranda, looms as the next producer for Quebec, although Aldermac or Waite-Ackerman-Montgomery, may ship some high grade before Abana's concentrator is ready, which will likely be late in the coming fall. Aldermac will erect a large concentrator and it may be that one will be erected at Waite property also.

Developments on Abana have been very important, the most significant being the finding of a new copper-zinc ore body on the east side of the diabase dyke on the 300-ft. level. It shows a width of 33 feet where cut. Still another ore body has been cut by diamond drilling, 40 feet to the north and the drill core shows principally zinc.

Good Length Indicated

The south-eastern extension of these ore bodies was cut at a point 450 feet south-east of the diabase dyke at the 150-ft. level by diamond drilling from the surface. Ore bodies Nos. 2 and 3 have, therefore, a possible length of 450 ft. Drifting is now proceeding on ore body No. 2 at the 300-ft. level, and to date this drift has been extended for 125 ft. in ore. It is the intention to cross-cut ore bodies Nos. 2 and 3 at 100-ft. intervals for sampling and measurement.

Ore body No. 1, west of the diabase dyke which averages about 30 ft. wide, has been cut by diamond drilling at a point between the 550 and 600-ft. levels. It shows a width of 28 to 30 ft. In diamond drilling for the downward extension of ore body No. 1 from the 300 ft. level, ore body No. 4 was encountered parallel to and about 25 ft. west of ore body No. 1, and showed about 8 ft. in width of copper ore. This orebody No. 4 is a new deposit and does not show at the 300-ft. level, and was cut about 150 ft. below this level.

May Find Others

From the above it is reasonable to assume that there is a possibility of encountering new ore bodies as exploration continues at depth in the ore zone which is about 100 ft. wide and contains the above mentioned orebodies.

The ore wherever encountered in this ore zone appears to be uniform and of such grade as to show a good margin of profit, and furthermore the indicated ore reserves have been about trebled since the last official report.

The concrete for the foundations of the two 550-h.p. Diesel engines has been laid, and one of these engines will be installed within the next couple of weeks. Work has also been started on the foundation for the concentrator. The bunkhouse and cookery for the accommodation of 100 men is about completed, and the new staff house and office is ready for occupation.

FORT HOPE SHAFT CUT SECOND VEIN

Level Will be Established at 125-ft. and Lateral Work Undertaken

Sinking of the shaft at the Fort Hope Gold Mines, on the Albany River, has reached a depth of 100 feet. At a depth of 80 feet a new vein not located on surface was found to cross the shaft. This vein had a good width, and was dipping in a similar direction to the main vein on the property. When the working reaches a depth of 125 feet plans of the company call for cross-cutting to find values in the fracture at that depth. Instead of being able to cross-cut one vein the company will be able to report values in two veins to the shareholders. A commercial ore body was indicated in sampling carried out on surface and further work of this nature is being done at the present time under the direction of Lorne Howey.

Four Gold Dredges Operating

Yukon Consolidated Mining Co. has four dredges in Klondyke Valley. Another is to be added. This company now operates all the Treadgold holdings.

Oil Drillers May Have Extension of Rand Reef

Oil drilling 25 miles east of the known eastern end of the Rand main reef has disclosed distinctly Witwatersrand formation and it may work out that this is an extension of the famous South African ore zone which to-day provides over half the world's gold output.

CALUMET AND HECLA ENTERING ONTARIO

Michigan Copper Operators Have Taken Up Ground in Larder Lake Area

Calumet and Hecla Mining Co., a large Michigan copper operating company, has taken up a group of 27 claims in Larder Lake. A road is being built and surface exploration will soon follow. The find, which brings these properties into prominence, is claimed to be a heavy mineralized zone 100 feet in width, with encouraging values in zinc and copper showing over this width. In addition to the main vein, another parallel outcropping has been located that is to be fully explored. The strike of the mineralized area is north-west and south-east and the vein occurs in a low depression in the ground.

The deal whereby the Calumet and Hecla obtained a working option on the properties involves the payment of $400,000, the owners retaining a small interest in the company organized to work the properties. This is the first time the Michigan Copper Company has undertaken the development of claims in Ontario and considerable interest attaches to their activities.

MANITOBA MINING TO LOSE PROF. WALLACE

After Years in Winnipeg Leaves to Assume Presidency of Alberta University

Prof. R. C. Wallace, Winnipeg, has been chosen president of Alberta University. This is a severe loss to Manitoba.

As commissioner of Northern Manitoba, professor of geology in Manitoba University, and recently as first commissioner of mines for Manitoba, Dr. Wallace because of his ability and wide knowledge of the minerals of that province, was in a position to do a great deal for Manitoba, just at a time when it was coming into its own as a mineral producing province.

It is doubtful, however, if his new position will draw Dr. Wallace away from mining entirely and it may work out that Alberta mining will profit as a result of Dr. Wallace's removal to that province. Dr. Wallace is well regarded by the industry as a whole and a few years ago was honored by election to the presidency of the Canadian Institute of Mining and Metallurgy.

Cold Lake Mines Appoint Manager

George Tribble, a former member of the technical field staff of International Nickel Co., has been placed in charge of Cold Lake mines operation adjoining Sherritt-Gordon on the west.

Shallow drilling is proceeding for the purpose of picking up the western extension of the Sherritt-Gordon body. Already a break of mineralization some 28 feet wide has been encountered, in this drilling which assayed around $2 in copper and gold. It is not possible to state as yet whether this is the much sought for break or not. It could quite possible be a parallel zone of which several are indicated. The core was taken from very shallow depths and contains evidences of oxidation. A deeper hole to under-cut this will be started immediately. Meanwhile surface exploration will be extended for purposes of locating a site for a permanent camp.

Ribago Shareholders Will Receive Rights

Ribago Sudbury mines is the name of a new company being organized by Ribago Copper Corp. Shareholders will get one new share for two old. The new company has taken up 800 acres, part of the holdings of Chelmsford Mining Co.

In addition to receiving rights in Ribago Sudbury Mines, Limited, the parent company will also receive 1,000,000 shares of Ribago Sudbury stock outright for its treasury. Physical assets of Ribago Copper Corporation include a large group of claims in Hess township, adjoining the Lake Geneva Mines property, and a third interest in 13 claims in Lorne township.

Wainwell Will Offer Shares in Subsidiary

Shareholders in Wainwell Oils, Ltd., are to receive rights to take up stock in a subsidiary formed to operate the refinery at Wainwright, recently purchased by the company.

The subsidiary will be known as the Wainwell Refining Co., Ltd., and will have a capitalization of 300,000 shares of no par value. The Wainwell Oils, Ltd., will hold 66 per cent. of the stock and the balance will be offered to shareholders.

Are you interested in

Sudbury Basin
Mandy
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Our advice gladly given in request.

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FABULOUS RICH ORE OF SMITHERS ATTRACTING MANY

Toronto Man Closes Deal in Two Hours After Studying Reports

Smithers section of British Columbia, which is located on the Prince Rupert section of the Canadian National Railway, is coming to the front rapidly and promises to provide some rather sensational operations due to the phenomenal richness of the ore opened up on several groups. Gold, silver and copper predominate. The copper is grey and runs high in silver.

Edward G. Brown, Vancouver, who has been interested in the Little Joe and Mohawk, both of which are in that section, has just disposed of control of Hyland Basin mines to Grant Mahood. This will now become one of the assets of Alexandria Gold Mines. Mr. Brown came to Toronto armed with engineers' reports and results of assays by four leading engineers on the property. It took Mr. Mahood two hours to close the deal after studying the reports. He says he was taking no chances when he found the engineers so unanimous. Incidentally the nearby Mohawk was recently sold to Federal Mining and Smelting.

Duthie Mine, which is close to Hyland Basin and the old Cronyn Mine, Babine Bonanza, has shipped some very high grade ore, giving a smelter return of $259 after paying transportation charges of $30 and then the smelter costs. Topley Richfield in the same general area, shows values around $145 in silver and zinc and copper with gold up to $14. Silver King, Silver Cup and Albany are other high grade ventures in the area.

Mr. Brown says that considerable high grade is already bagged to the Hyland. He says it is a grass root proposition. The vein strikes with the slope of the hill and this gives fifty feet of depth. Thos. Davey, consulting engineer, and Mr. Mahood are now on their way to the property and it is expected that some time next month shipments of high grade will start.

John R. Turner, J. D. Galloway, Provincial Mineralogist, Douglas Lay, resident engineer of the B. C. Department of Mines, and A. E. Haggen, M.E., are the four engineers who examined the Hyland, says Mr. Brown, and their reports were practically the same. Each in sampling got sensationally high values. Mr. Galloway took his sample of a 5 ft. width, which is about the average as the vein runs from 18 inches to 12 ft. He got various values the lowest being $57. Mr. Lay in his report to the Minister of Mines, tells of his visit to the property. He says:

On this group, at or near what appears likely to be the junction of two veins, there is exposed on the surface over a length of approximately 70 feet a very promising band of mixed galena, zinc-blende, and quartz of an average width of 1.5 feet. Grey copper and copper-stains are also in evidence. A sample was taken of pieces of broken ore lying in a pile alongside the open-cut, which assayed: Gold, 1.42 oz. to the ton; silver, 440 oz. to the ton; lead, 22 per cent.; zinc, 13 per cent. Such can, of course, only be regarded as an indication of the kind of values to be expected in selected ore. Nevertheless, the ore is of undoubted high grade in precious metals.

Some considerable distance from this surface showing one short crosscut and one adit-tunnel, approximately parallel to the vein strike, have been run. The latter is approximately 190 feet in length and crosscuts have been run from it to penetrate the vein. Some crosscutting was, it is understood, carried out in the long adit in the fall of 1926, but the vein was not struck.

The obvious objective at this property is the exploration of the surface showing described, which could readily be accomplished by sinking a shaft in it from the surface.

Prepare for Big Movement

Port authorities are preparing for the greatest test they have had since Vancouver became a grain shipping centre. Wheat is expected to flow through this port in immense volume. Factors contributing to this are the large Alberta crop, estimated in excess of 200,000,000 bushels, a greater part than ever of which is expected to find outlet by the Pacific coast, and the heavy Russian purchases, a large part of which will be shipped from here.

Drilling of Stralak Group is Likely

Percy E. Hopkins, consulting geologist, has completed an examination on the development work done on the property of Sudbury Concentrating & Mining Co., at Stralak. Mr. Hopkins' report and recommendations are expected to be made very shortly. He has intimated that he will recommend diamond drilling.

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Light Manufacturing space to let. 14,000 ft. available. Perfect lighting. Sprinkler system throughout. All or part to let at attractive price. Centrally situated. Apply W. Hall, 205 Wellington St. S., Sherbrooke, Que., Telephone 2641; or at Peerless Building, 138 Laurier Ave.

McIntyre Porcupine Mines, LIMITED

(No Personal Liability)

DIVIDEND NO. 39

Notice is hereby given that a dividend of five per cent. (5%) on the issued Capital Stock of the Company will be paid on September 1, 1928, to Shareholders of record at the close of business on August 1, 1928.

By order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, July 19, 1928.

THE A. W. Chase Company LIMITED

DIVIDEND NOTICE

Notice is hereby given that the regular 2% quarterly dividend on the 8% preferred stock of this Company has been declared for the quarter ending July 31st, 1928, payable August 10th, 1928, to shareholders of record July 31st, 1928.

By order of the board.

W. J. STONE,
President.

Toronto, July 24th, 1928.

ZIMMERKNIT, LTD.

Preferred Stock Dividend No. 5

Notice is hereby given that a dividend for the current quarter, at the rate of seven per cent. (7%) per annum, will be paid by cheque on or after August 1st, 1928, to preferred shareholders of record at the close of business on the 20th day of July, 1928.

ZIMMERKNIT, LIMITED

FACTORY FOR SALE
Solid Brick
25,000 ft. of floor space
Covers 3 acres of land
Adjacent to centre of Oshawa
Will divide if necessary.
Apply
GRIERSON & CREIGHTON
Standard Bank Bldg.
OSHAWA, ONT.

Tenders For Debentures.

The Town of Haileybury invite tenders for purchase of twenty-year debentures bearing 6% interest, amount $25,000.00. Tenders will close at 5 P.M., August 10th, 1928.

H. CLIFFORD, Clerk.

The Royal Bank of Canada

DIVIDEND No. 164

Notice is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of September next, to shareholders of record at the close of business on the 31st day of July.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., July 10, 1928.

INTERNATIONAL PAPER COMPANY

New York, June 26th, 1928.

The Board of Directors have declared a quarterly dividend of sixty (60c) cents a share on the Common Stock of this Company, payable August 15th, 1928, to common stockholders of record at the close of business, August 1st, 1928.

Checks to be mailed. Transfer books will not close.

OWEN SHEPHERD,
Vice-President and Treasurer.

The Canadian Bank of Commerce

Dividend No. 166

Notice is hereby given that a dividend of Three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1928, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1928. The transfer books will not be closed.

By Order of the Board,

S. H. LOGAN,
General Manager.

Toronto, 20th July, 1928.

SALE OF PINE TIMBER

Tenders will be received by the undersigned up to and including Monday, the 20th August, 1928, for the right to cut the Red and White Pine, and Jack Pine 12" and over in diameter on the stump, 18" from the ground, on the Townships of Chester and Neville, District of Sudbury.

Further particulars may be obtained upon application to the undersigned, or to Mr. J. G. McCaw, Acting Crown Timber Agent, Sudbury.

W. FINLAYSON,
Minister of Lands and Forests.

N.B.—No unauthorized publication of this Notice will be paid for.

Toronto—July 10, 1928.

ONTARIO

NOTICE TO COMPANIES

All companies incorporated or carrying on business or having an office in Ontario shall make Annual Returns to the Provincial Secretary of Ontario, and especial attention is called to the provisions of an Act passed at the last Session of the Legislature, whereby lists of shareholders will not be filed unless a special demand is made for same. This does not apply to lists of officers of companies, which should be included with Annual Returns as heretofore.

Companies in arrears must file all Annual Returns due forthwith, in default of which proceedings will be taken to collect prescribed penalties.

L. GOLDIE,
Provincial Secretary of Ontario.

Toronto, June 25th, 1928.

WANTED—HIGH CLASS BOND SALESMAN by long established firm having branches throughout Canada. Must have at least four years' experience and good record. Reply giving references as to ability, character and education, whether married or not, and salary required. Position offers excellent opportunity for right man. Replies strictly confidential. Apply Box 176, The Financial Post, 143 University Avenue, Toronto, Ont.

C. W. LINDSAY & CO. LIMITED

Notice is hereby given that a dividend at the rate of 6½% per annum on the Preferred Capital Stock of this company, has been declared for the quarter ending August 31st, 1928, payable September 1st, 1928, to shareholders of record August 20th, 1928.

By order of the board.

BENJ. A. EDWARD,
Secretary.

July 24th, 1928.

HELP WANTED—MALE

ACCOUNTANT

for large commercial organization with experience in Manufacturing Costs and General Control accounting—good opportunity for energetic, progressive young man, not over 35 years of age.

Apply, stating age, experience and salary required to Box No. 170, Financial Post, Toronto.

Wanted, by an Engineer with varied, thorough and practical experience of 18 years, unimpeachable references and record, capable of constructive ideas, and executive ability, possesses a good knowledge of the Dominion, proposals from those who can use such experience; desire position that will become permanent; letter in first instance to Box 174, The Financial Post, Toronto, Ont.

The Bank of Toronto

Dividend No. 188

Notice is hereby given that a Dividend of Three per cent. upon the Paid-Up capital stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its branches on and after the first day of September next, to shareholders of record on August 15th, 1928.

By Order of the Board.

H. B. HENWOOD,
General Manager.

Toronto, July 11th, 1928.

WAYAGAMACK PULP & PAPER COMPANY LIMITED

Dividend No. 14

Notice is hereby given that a Dividend of Seventy-five cents (75c) per share has been declared on the No Par Value Common Stock of the Company, for the quarter ending August 31st, 1928, payable September 1st, 1928, to Shareholders of record at the close of business on August 15th, 1928.

By order of the Board,

D. L. ADAMS,
Secretary-Treasurer.

Montreal, Que., July 19, 1928.

NOTICE OF MEETING

The Canadian Bank of Commerce

Notice is hereby given that a special general meeting of the shareholders of the Canadian Bank of Commerce will be held at the head office of the Canadian Bank of Commerce at 23-25 King Street West in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, 1928, at the hour of 12 o'clock noon (daylight saving time), for the purpose of submission to the said shareholders of an agreement for the sale by the Standard Bank of Canada to the Canadian Bank of Commerce and for the purchase by the Canadian Bank of Commerce from the Standard Bank of Canada of the whole of the assets of the Standard Bank of Canada upon the terms set out in such agreement and for the purpose of considering such agreement and for the purpose, if thought fit, of approving of the same, and also for the purpose, if thought fit, of passing a by-law fixing the number of directors of the Bank at thirty-seven and amending By-law Number One of the Consolidated By-laws of the shareholders to give effect thereto.

By order.

S. H. LOGAN,
General Manager.

Toronto, the twentieth day of July, 1928.

ADVERTISING

MacLean's Magazine has good opening for an experienced advertising man who has broad knowledge of merchandising. Must be able to write effective promotion literature and qualified to carry out market investigations and to prepare sound proposals for prospective advertisers.

Interested parties possessing the necessary qualifications are invited to apply by letter giving details of age, education, business experience and other particulars, to Business Manager, MacLean's Magazine, 153 University Avenue, Toronto.

The Standard Bank of Canada

Notice is hereby given that a special general meeting of the Shareholders of The Standard Bank of Canada will be held at the Head Office of The Standard Bank of Canada, at 15 King Street West, in the City of Toronto, Ontario, Canada, on Tuesday, the eighteenth day of September, one thousand nine hundred and twenty-eight, at the hour of eleven o'clock (daylight saving time) in the forenoon for the purpose of submission to the said Shareholders of an agreement for the sale by The Standard Bank of Canada to The Canadian Bank of Commerce, and for the purchase by The Canadian Bank of Commerce from The Standard Bank of Canada of the whole of the assets of The Standard Bank of Canada upon the terms set out in such agreement, and for the purpose of considering such agreement, and for the purpose, if thought fit, of approving of the same.

By order

N. L. McLEOD,
General Manager.

Toronto, the 18th day of July, A.D., 1928.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after SATURDAY, the FIRST day of SEPTEMBER next, to Shareholders of record the 31st July, 1928.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 20th July, 1928.

Featuring Chicoutimi, Saguenay, Lake St. John and Chibougamau Areas of Northern Quebec

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXII. Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 27, 1928 10c. a Copy; $5.00 a Year No. 30

Saguenay Becomes One of Greatest Industrial Areas

Saguenay Ranks Equally in Importance With Most Highly Industrialized Sections of Canada—Figures Show How Region Grows

Something of what the future holds for the Saguenay may be judged from the figures of the power development in the region.

The power utilization figures in any territory provide perhaps the best index of the part played by such a region in the industrial development of the Dominion.

At the moment, the total electric generator installations in Canada amount in round figures to 5,000,000 horsepower. Already the Saguenay develops 500,000 horsepower—10 per cent. of the power generated throughout the whole of Canada. These figures are significant. They indicate clearly that the Lake St. John territory in its industrial magnitude compares favorably with any other section of Canada, including even the highly-industrialized section of Southern Ontario.

Some idea of the future growth of the region may be obtained from the fact that power developments totaling close to 1,500,000 horsepower are now either completed or underway in the Saguenay area.

Power Plants in Area

The following table lists the various power plants there; the Duke-Price plant will be operating at capacity shortly and, with the exception of the Chute à Caron site, now under construction, the other plants have been in operation for some time:

	Horse-power
Duke-Price Power	540,000
Price Brothers, Ltd.	32,000
Jonquière Company's plant, Price Bros.	3,600
Murdock Falls Power plant, Price Bros.	10,000
Chute à Galets power plant, Price Bros.	16,000
Jonquière Municipal power plant	2,600
Price Bros., Ltd., Chicoutimi	11,000
Quebec Pulp & Paper Mills	26,000
Point Arnaud power plant	7,500
Chute Garneau power plant	3,500
Port Alfred Pulp & Paper Corporation	2,000
Chute à Caron Power—Aluminum Co. of Canada (Will be developed in stages as required).	800,000
Total	1,454,200

An Increasing Part

As has been said, the Dominion now develops some 5,000,000 horsepower in its power plants. Engineers estimate that within the next six, seven or eight years the total figures of power produced will amount in round figures to 10,000,000 horsepower. At the end of that period the Saguenay will be producing at least 1,500,000 horsepower—15 per cent. of the total power produced in Canada. This last figure compares with a 10 per cent. figure at the present time. Hence, it can be seen that while the Saguenay is already a dominant industrial area in Canada, its future growth will lead it perhaps to predominance in the Canadian industrial field. In any event it is destined to play an even larger role in the drama of unfolding Canadian industry.

From the power utilization figures it is bootless to attempt to forecast population figures. The Saguenay territory now supports some 75,000 souls. Within the next five or ten years a 200,000 figure could, and possibly will, be easily reached. And this last figure appears to be a conservative estimate only.

While increased population does not necessarily follow in the exact ratio to increased power development, yet the amount of power used indicates clearly the amount of real work which is accomplished. Therefore, increased production in the area must follow further power installations, and in the general prosperity of the nation it is really production, and not population, which counts.

Chicoutimi is Metropolis of Saguenay Territory

C. P. R. May Run Line From Quebec—Private Ownership Provides Excellent Housing Facilities—Chicoutimi Growing With Hinterland's Expansion

Chicoutimi is taking another step forward, concurrently with the enormous power and paper mill developments of the Saguenay and Lake St. John district, of which it is the focal point and gateway.

The recently created Harbor Commission is now in action and has begun the development on the harbor at the head of tidewater navigation at the town of Chicoutimi.

The harbor proper has been designed by A. D. Swan, consulting harbor engineer of Montreal. The first contracts have gone to Robertson and Janin, also of Montreal, who were the successful bidders for the undertaking.

Construction work on a half mile of wharfage has already begun immediately in front of the town, and the land for a width of about eight hundred feet is to be reclaimed from the shore line to the concrete dock wall. This is an economic way of creating the land necessary for the new ocean and railway terminals, as the present town is built upon a steep hillside extending down to the existing shore line. The location of the town allowed no room for expansion.

Has 15,000 People

Chicoutimi, now with a population of fifteen thousand, is, within a ten-mile radius, the centre for nearly fifty thousand people, while it is also the religious, institutional and political nucleus of the whole hinterland which pours its produce into Chicoutimi for reshipment by rail or ocean carriage.

Arvida, the great plant and model town of the Aluminum Company, is about four miles up the river. When dredged, the harbor facilities will extend to the foot of the Arvida townsite at tidewater level and eliminate the necessity of the present handling of heavy tonnage of bauxite ore and coke through Port Alfred or Ha Ha Bay harbors, some thirteen miles away, where it comes from British Guiana.

The development of this industrial oasis so suddenly, in the fastnesses of Northern Quebec, has come as a bewildering surprise to the outside world in general and Canada in particular. There is the old-established lumber firm of Price Bros. and Company, in operation over eighty years, now turning its resources mainly into newsprint. On an operating cycle of eighty years' forest crop rotation, the company has a permanent supply of wood—a situation hardly equalled by other newsprint companies.

Large Power Plants

There are the immense power developments of the Duke-Price Power Company, including the Ile Maligne Power House, with its 540,000 h.p. supplying the Aluminum Company at Arvida and also

(Continued on page 19)

Authority Writes for Financial Post

In the preparation of this supplement on the Saguenay region, The Financial Post has had the advantage of obtaining the assistance of Kenneth J. McArdle, who has an intimate knowledge of the whole territory. Mr. McArdle's knowledge of the region is the wider as he is the managing editor and founder of The Arvidian, the only newspaper serving English speaking readers in this growing region.

Erect Enormous Power Plant Here

Chute a Caron on the Saguenay River where the Alcoa Power Company, subsidiary of the Aluminum interests, is developing 1,000,000 h.p.

Hardly a Canadian Business Unaffected by Developments in Rich New Quebec Area

Projects Now Under Way Along Saguenay of More Than Material Importance to Canadian Business as a Whole—Region Really Only on Threshold of Growth—How Expansion Will Affect Business Men of Dominion

The developments now underway on the Saguenay and in the Lake St. John region have a bearing on the whole business life of the Dominion. In any consideration of the progress of their own affairs, or in the economic development of the nation, business men give more than a passing thought to what is taking place in that growing region.

How then does the growth of Saguenay territory affect the individual business man? In two ways, for the region is a big buyer and a still larger seller of commodities.

What the Saguenay produces and sells is composed almost entirely of agricultural produce, pulp and paper, and aluminum ingots. And the sales of these commodities from the area have more than a passing effect on Canadian business.

Promising Sales Field

In the past, the farmers of the Saguenay could not find a proper market for their production. This is changed today. The industries absorb at satisfactory prices the product of the farmer. This has built up a prosperous farming community in the region. And it is in just such a community that many a Canadian manufacturer can find an outlet for some of his production.

The pulp and paper industry to-day is far and away the one predominant feature of Canadian industrial life. The industry has a higher capital investment, employs more men, pays out more in wages and exports more than any other single industry. And to-day almost a quarter of the total newsprint production of the Dominion comes from the Saguenay region. Newsprint is the chief product of the pulp and paper mills.

Largest Exporter of Canada

In other words, the Saguenay already provides a substantial portion of the exports of the Dominion. And still the pulp and paper industry there grows and will continue to grow as the Saguenay paper industry is based on the sure foundations of abundant, low cost wood and power.

It is the pulp and paper industry which of recent years has built up so enormously Canada's export balance. And the flow of exports from a country has a vital effect on all domestic business no matter of what kind or character.

Effect of Aluminum

All of which applies with even greater force to the territory's output of aluminum. At the moment, the aluminum plant has a large output—but it is only one-tenth of its ultimate size. The periodic enlargement of the plant is to continue steadily until its output of aluminum will be equal to 90 per cent. of the present day world consumption of the metal. A production of 180,000 tons annually is planned.

With her wheat and flour, automobiles, pulp and paper and a hundred and one other commodities, Canada to-day is far and away the largest exporter in the world on a per capita basis — greater than the United Kingdom and far, far greater than the United States.

To her dominance in the export field will be added an output of aluminum which will again swell more than materially the annual export figures.

All this has little import to the business man who looks after his interests much in the way the speculator in the market watches the broker's tape. But for business men who are concerned with the trend four, five and six years hence and who are not over concerned with minor day to day movements, the continual development on the Saguenay is the one outstanding feature of the whole Canadian business picture.

"Yes, but what's there in it for me right now" asks the business man who during business hours must look for profits, profits and still more profits. There has already been a large development in the region. But the significant feature of the whole Saguenay industrial situation is that while much has already taken place, more, much more expansion is yet to come.

Without enumerating what is amply covered elsewhere in this issue, it is only necessary to recall that the power production of the region will be more than doubled within the next five, six or perhaps seven years.

To-day the district is prosperous. It contains a population totalling perhaps as many as 100,000 souls. Corporations and individuals there are in a sound financial position. The Saguenay district is thus a good market for power and industrial equipment, textiles, manufactured goods, hats, caps, motor cars, boots, buttons, in fact everything.

Moreover, it is a growing market for these commodities and services. The business man who to-day may not have yet obtained a foothold in the region has an opportunity to participate in a development in the future which in its magnitude will surpass anything which the past has to offer.

The Saguenay region is a compact area stretching a hundred miles or so northwest from the head of navigation on the river to Dolbeau north of Lake St. John.

An Agricultural Area

The whole district is laid out in large farms which have a wide range of productivity from grain and cattle down to cheese and honey. Those unacquainted with the area are surprised to find there an agricultural, pastoral type of scenery typical of all farming areas in the province of Quebec, instead of the forest primeval which they imagined.

In this now wealthy agricultural district are located many what might be called industrial oases composed for the most part of power plants and paper mills. Around or near these plants are thriving communities—some, like Chicoutimi, are now almost cities.

This Kingdom of the Saguenay in its industrial production is comparable to any other industrial area of the Dominion. Now it stands only at the threshold of its real expansion. To hazard a guess at its ultimate destiny and its ultimate population would only place the writer in a class with the most incurable of optimists.—R. T.

Saguenay Plants Produce 2,000 Tons of Pulp Daily

The pulp and paper mills of the Saguenay region have a total capacity of pulp and paper for sale which amounts to over 2,000 tons daily. At the moment pulp and paper markets are weak. Obviously all the mills are not producing at their full scale of capacity. In the past, though, the plants have operated at full capacity and will do so again in the future. The following figures reveal clearly the source of the immense pulp and paper productivity of the whole region:

	Tons a Day		
	Newsprint	Sulphite Pulp	Groundwood Pulp
Lake St. John Power and Paper	220	...	...
Price Brothers:			
Kenogami mill	500	...	...
Jonquière mill	50	...	...
*Riverbend mill	200	...	...
Metabetchouan Sulphite and Power	...	40	...
Quebec Pulp and Paper Corp.:			
Chicoutimi Mills	...	...	400
Val Jalbert	...	...	50
Port Alfred Pulp and Paper	450	160	...
	1,420	200	450

*Being increased to 400 tons a day.

One Million Horsepower Shortly to be Unleashed in Still Further Expansion

First Information on Big Power Plans

In the accompanying article on the gigantic Chute à Caron power project, The Financial Post is privileged to present to its readers the first information on the power development plans of the Aluminum Co. To date, the real nature of the company's power development plans has remained a close secret.

Particulars of Aluminum Company's Giant Power Projects — Work Well Under Way — Chute à Caron Plant to be Operating by July, 1930 — Then Shipsaw

In the early summer of 1912, two men mounted a promontory overlooking the old "Caron's Whirlpool" in the Saguenay River, now known as Chute à Caron, watching the turbulent waters flowing down their rugged course towards the mouth of the river. One of these men was the late James B. Duke, the American tobacco king. For a time scarcely a word was spoken as they watched the beauty that lay before them. But beauty, in particular, was not the thought which occupied the minds of each on that particular day. It was there that Mr. Duke received the initial conception of what is to be the greatest hydro-electric development ever contained in a single power station. When he did speak, his words were brief and to the point. Turning to his assistant he stated, "I am going to buy this property and develop it."

Shortly afterwards Duke started the initial negotiations for the purchase of the property which is now known as the Chute à Caron and Shipshaw developments. These properties were later purchased by the Aluminum Company of America, shortly after the Saguenay was chosen as the location of its latest industrial development. Originally, J. B. Duke purchased the power rights for the present Ile Maligne power station as well as the rights for the Chute à Caron and Shipshaw developments.

Work Begins In 1925

In 1925 surveys were made at the Aluminum Company's plant at Arvida and complete field and topographical surveys as well as borings were made at the Chute à Caron and Shipshaw sites.

In the late summer of 1927 it was decided that the time was ripe for undertaking of the power project, and in the late fall of 1927 the organization of the staff, with preliminary studies of the power site were gotten under way by the subsidiary power company. H. W. Small, chief engineer, and I. G. Calderwood, superintendent of construction, arrived at Arvida to assume charge of the work for the Alcoa Power Company, a new corporation organized by the Aluminum Company of Canada, whose purpose was to develop the power at Chute à Caron. The word "Alcoa" is the common trade mark of the parent organization, the Aluminum Company of America, derived from the first letters of that company's name.

Location of Site

The Chute à Caron development is located about five miles up the Saguenay River from Arvida and about one and a half miles to the north of the town of Kenogami. As the Saguenay River in its downward course, approaches the power site, the river takes a slight bend and runs in a direction almost due south, continuing then in a direction almost east for about a mile, whence it veers towards the north and finally, at the foot of the power site, once again continues in an easterly direction. The accompanying map shows clearly the lie of the river at and near Chute à Caron.

In the late fall of 1927, operations at Chute à Caron began in earnest. Complete camps were built, numerous additions were secured for the staff organization, construction tracks laid and with a force of about 400 men, the installation of a crushing, conveying and concrete mixing system was started. As time went on, with the arrival of further equipment, the work of excavating the bypass canal for the first section of the work began at once and continued with an increased staff of men during the winter months. In the late spring and early summer of 1928, intensive construction work began. The number of men employed was increased to a total of over fifteen hundred in rushing the completion of the excavation of the bypass canal. In the meantime, final plans were being prepared for the dam and the power house itself. By the middle of June forms were placed for the foundation sections of the dam proper, and pouring of concrete began.

Erected In Two Units

The whole development consists of two separate and distinct units. The initial unit at Chute à Caron will develop 260,000 h.p. The second unit at Shipshaw will increase the output of both units ultimately to some 1,000,000 h.p. The following procedure will be followed:

A cofferdam will be built from the south bank of the river to an island in the river to excavate a channel for bypassing the Saguenay River.

As soon as the power house proper and dam has been completed on the banks of the river, a concrete obelisk will be dropped to divert the Saguenay River through this bypass channel which has previously been excavated. As soon as the diversion has been made, the portion of the dam across the river will be completed and closure will be made at the sluice tube through the power house and the pond allowed to fill above the dam.

Spectacular Engineering

As is usually the case, the means of diverting the river by the dam section is often one of the most spectacular sights in the construction of a dam. In order that the waters of the Saguenay may be diverted by the bypass gates through the power house, it will be necessary to construct a concrete obelisk some forty feet square and a hundred feet in height, containing in all some 8,000,000 lbs. of concrete. This obelisk will be built in a vertical position so that when time comes to divert the river from the main channel to the bypass, the obelisk will be overturned from the north shore, to where it will span the distance to the island in the centre of the river.

Before the waters of the Saguenay are allowed to fill the pond, an earth dam will be placed across the short section of the Shipshaw canal, which will be built with this unit to supply the future Shipshaw unit. This earth dam will be removed as soon as the Shipshaw Canal has been completed and ready to generate power. This section of the Chute à Caron development will have a head of one hundred and fifty feet, and will consist of four generating units of 65,000 h.p. each.

Arvida Will Grow Too

While the construction of the Chute à Caron development is in progress, the Aluminum plant at Arvida will

(Continued on page 1[illegible])

FISH AND GAME IN ABUNDANCE ALONG SAGUENAY

New Fish and Game Club At Tchitagama Lake

ATTRACTS SPORTSMEN

The Saguenay area holds attractions other than those interesting to the financier or industrialist. In addition to producing a vast output of hydro-electric energy, the abundant streams, lakes and rivers in the Lake St. John and Saguenay area stand unequalled on this continent from the view point of the angler. The area is dotted with hundreds of lakes and streams. The virgin forest which surrounds these waters provides a territory which lures the hunter as well as the fisherman. In the rivers and lakes, speckled trout, bass and pickerel are found aplenty, varying in weight from a half to five pounds.

The most interesting fish in the area are the "Ouananiche" — the land-locked salmon. These are easily caught on the Peribonka River and along the upper reaches of the Saguenay. In other rivers leading into Lake St. John these fish also abound. The fresh-water salmon are a delight not only to the fisherman, but to those who partake of the results of his catch.

Deer are scarce along the Saguenay, but the hunter will not be disappointed, for moose are plentiful. In summer time the moose usually keep close to the lakes to avoid the flies. In winter they choose a mountain, or thick spruce growth, where they have their "runs." The supply of wild animals in the territory is the larger, as the district is close to the Laurentide National Park which abuts on the southern boundary of the Saguenay region. In the lakes, ducks and wild geese can be found in great quantities; of late, though, the partridge appear to have gone farther north. Among the fur-bearing animals there are black bear, martin, beaver and rabbits.

Localities are Accessible

For the sportsman perhaps, the chief feature of the territory is that the fish and game localities are accessible. A net-work of roads connects all parts of the country. If a particular locality is desired, the sportsman can usually find a road which will lead him to a point only a short canoe trip removed from his happy hunting ground.

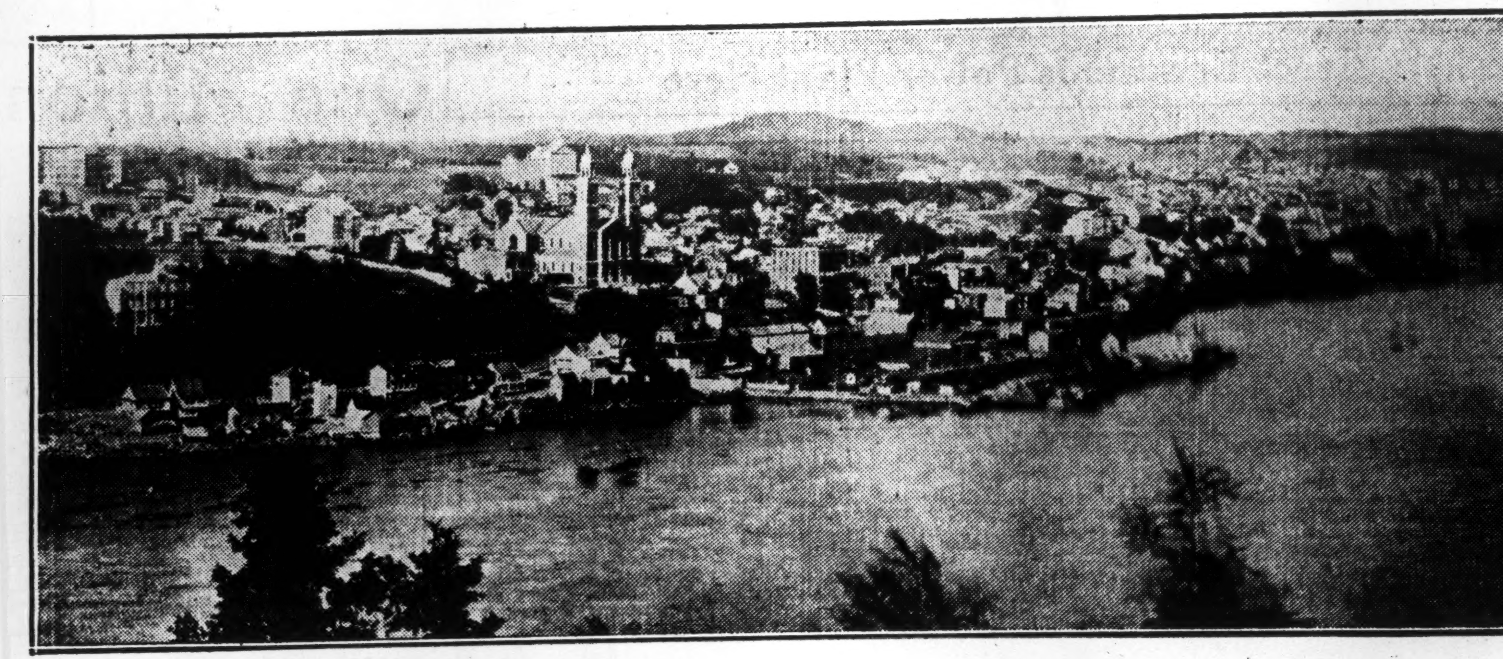
To take advantage of the opportunity for sport which the region offers, a group of Chicoutimi business men have organized what is to be one of the finest fish and game clubs in Canada. It is to be situated at Lake Tchitagama, northeast of Lake St. John on the Peribonka River.

The Tchitagama Fish and Game Club takes its name from the lake on which it is to be located. Its preserves are extensive, stretching 80 miles along the Peribonka River. Lake Tchitagama itself is of great beauty and is surrounded on all sides by the rugged and picturesque Laurentians. In this district the waters are well stocked with fish which nature has provided in abundance, while the huntsman finds the woods replete with both big and small game.

Route to Take

The club site is accessible. A member boarding a train either in Montreal or Quebec on one evening finds himself in the quaint little French-Canadian town of Hebertville the next morning. After a leisurely breakfast, he takes an automobile ride of three hours upon excellent government roads and through interesting territory. In this neighborhood there are several of the world's largest pulp and paper mills and spectacular power developments. Continuing on his way, on roads that are still good, and following the winding turns through the forest, there suddenly bursts upon his view the beautiful Lake Tchitagama.

The present officers of the club are: J. R. Wells, president; J. E. Gravel, vice-president; J. A. Guilmet, secretary-treasurer; J. A. Roy, assistant secretary; Edouard Lavoie, civil engineer, and Armand Gravel, architect, directors, all of Chicoutimi.



Panoramic View of Chicoutimi, Showing its Beautiful location on the Saguenay River —Courtesy C.N.R.

CHICOUTIMI

CENTER OF THE NEWEST AND GREATEST HYDRO-POWER DISTRICT IN THE PROVINCE OF QUEBEC

Transportation Facilities

Chicoutimi's transportation facilities are excellent. Progressive extensions are under way which will more than keep abreast of increasing demands.

Canadian National Railway mainline to Quebec and Montreal. Local train service between Chicoutimi and Dolbeau daily.

Roberval & Saguenay Railway service to Port Alfred. Every facility as to switching arrangements.

Excellent autobus and taxi services.

No electric transport presently in existence, but a tramway service is under study.

Ocean vessels come to and leave from Chicoutimi harbour.

Present wharves shall be extended in the course of coming summer by twelve hundred feet allowing for a 30 foot depth.

Natural Distributing and Industrial Center of an Expanding District

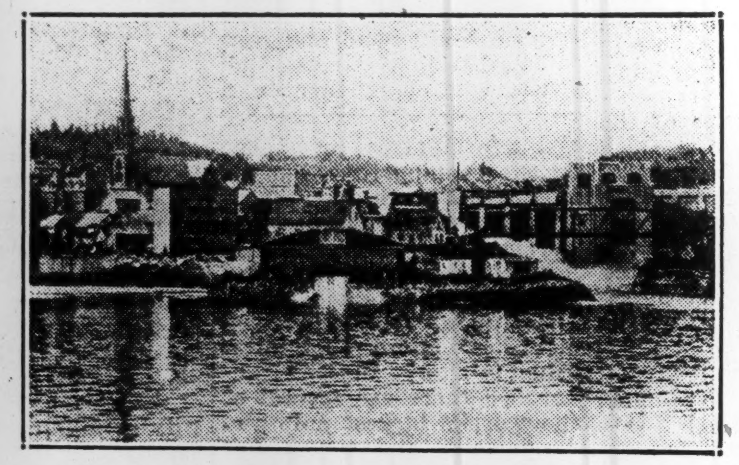
Local Board of Trade is formed of progressive men well willing to give loyal support and first hand information.

According to competent authority, Chicoutimi is actually a very interesting distribution center for inland or export trade. It also forms part of what may be termed a self-sustaining district.

Chicoutimi is at present the distributing center for the general requirements of a population presently figured at 100,000 inhabitants which in the next ten or fifteen years should reach 250,000.

Factory Sites Available

New Harbor Commission site of 15 acres.
Various lots of two to five acres in town.
Unlimited space in the environs.



Chicoutimi West. Note the power house in right foreground. Local aerodrome in centre.

For full information, write—
D. V. MORRIER, *Sec.-Treas.*,
City of CHICOUTIMI, Que.

LOCATION

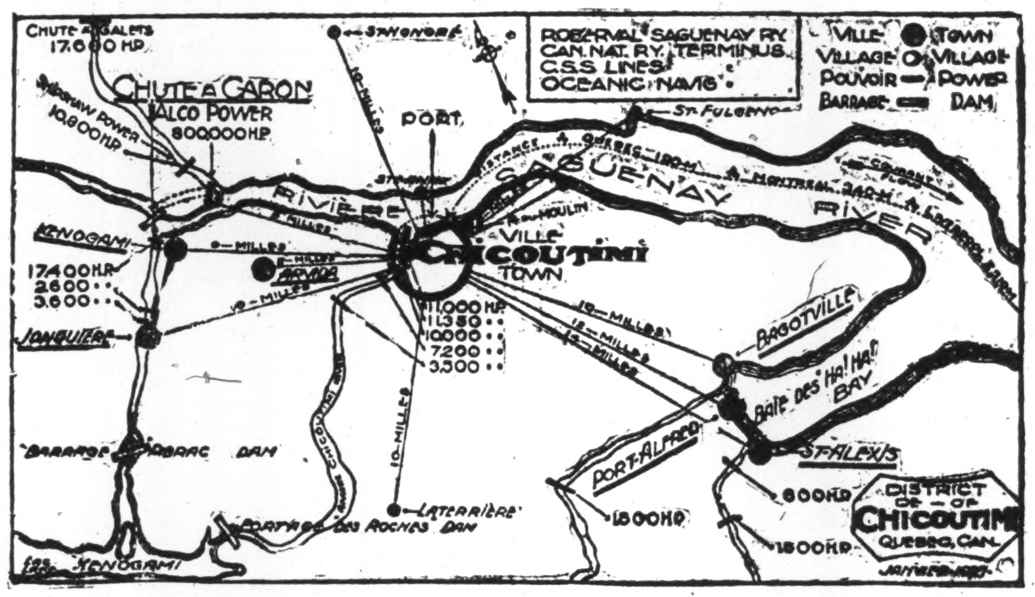
Chicoutimi, the head of navigation on the Saguenay is an energetic, progressive town in an active and expanding industral district.

MANAGEMENT

The city management and popular sentiment advocate additional desirable industries and offer every encouragement and valuable consideration to prospective industrial settlers.

POWER

Abundant Electrical Energy is available at attractive rates. The Progressive policy of a great power company insure for Chicoutimi complete electric service second to none.

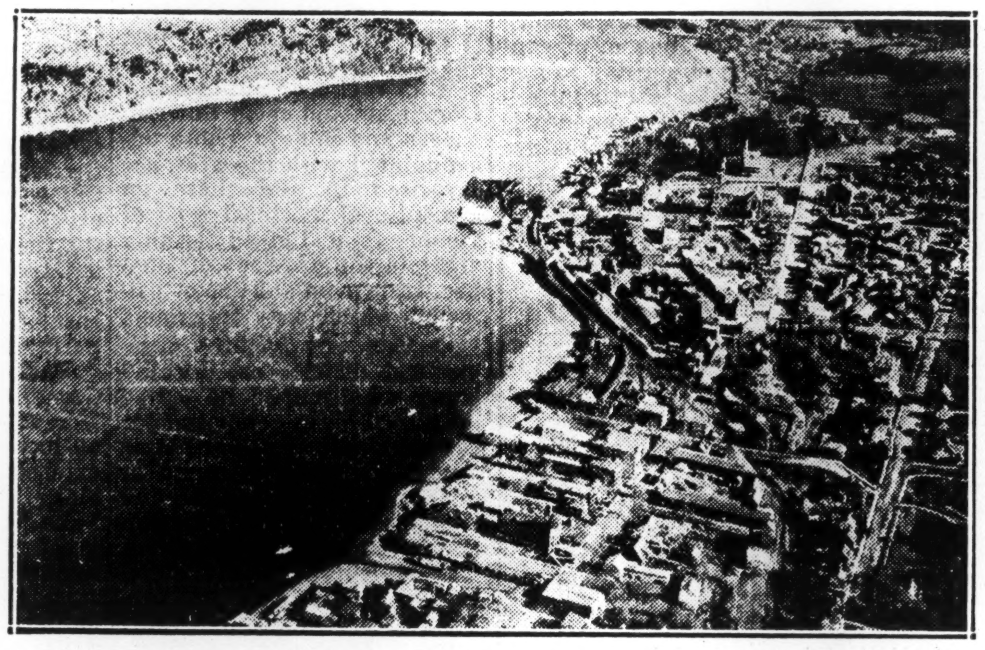

CHUTE A GALETS 17.600 HP
CHUTE A GARON
ALCO POWER 800.000 H.P.
10.800 H.P.
ST HONORÉ
PORT
ROBERVAL SAGUENAY RY.
CAN. NAT. RY. TERMINUS
C.S.S. LINES
OCEANIC NAVIG
VILLE TOWN
VILLAGE VILLAGE
POUVOIR POWER
BARRAGE DAM
ST. FULGENCE
SAGUENAY RIVER
RIVIÈRE
KENOGAMI
17.400 H.P.
2.600
3.600
JONQUIÈRE
ARVIDA
VILLE CHICOUTIMI TOWN
11.000 HP
11.350
10.000
7.200
3.500
10 MILLES
BAGOTVILLE
BAIE DES HA! HA! BAY
PORT-ALFRED
ST-ALEXIS
BARRAGE DAM
PORTAGE DES ROCHES DAM
LATERRIÈRE
1500 HP
800 HP
1500 HP
KENOGAMI
DISTRICT DE - OF CHICOUTIMI QUEBEC, CAN.

Map showing location of Chicoutimi. Note power resources in the vicinity.

CITY COUNCIL
Mayor—M. L. P. Desbiens, Postmaster

ALDERMEN

L. B. Gagnon, Pro-Mayor, Merchant,
P. Vezina, Insurance Agent,
Eug. Tremblay, M.D.
J. A. Grégoire,
John Murdock, Contractor,
J. A. Guimond, Citizen,
A. Doré, Citizen,
Jos. Gauthier, Contractor,
Albt. Lemieux, Insurance Agent.



Aeroplane view of Chicoutimi harbour. Shipments are made by water to the markets of the world.

Local Inducement

No other locality is in a position to offer greater inducements than is Chicoutimi—viz: Excellent housing accommodation, attractive sites for industries, educational institutions of the very highest standing, abundant skilled and contented labor, excellent shipping facilities, cheap power and plenty of it. Chicoutimi offers careful commutation of taxes, and every possible consideration from municipal authorities.

Banks

Bank of Montreal
Banque Canadienne Nationale
Royal Bank of Canada
Canadian Bank of Commerce
La Banque Provinciale du Canada

Some of the Leading Firms and Industries in the City

La Brique de Chicoutimi, Ltée.
La Filature du Saguenay, Ltée.
The Saguenay Electric Company, Ltd.
La Compagnie Industrielle, Ltée.
Emile Couture, Ironworker.
La Chassure Canadienne, Ltée.
Henri Jalbert, Sash and Door Factory.
Eloi Coté, Abattoir.
La Societé de la Construction Moderne.
O. Demers, Ltée., Soft Drinks.
Lavoie & Delisle, C.E.
Lamontagne, Gravel & Brassarde, Architects.
Pulp and Paper Mill Supply Company.
Coté, Boivin & Cie, Incorporée.
J. B. Renaud & Cie.
L. B. Gagnon & Cie.
Dominion Fish and Fruit, Ltd.
Gamble, Robertson & Company, Ltd.
La Ferronerie Generale.

Chicoutimi, a well-governed, well-maintained and well-lighted city. A view of Racine Street, looking west.

—Or to ADOLPHE ROUTHIER,
Secretary to the County Council,
City of CHICOUTIMI, Que.

Price Brothers Outstanding Canadian Paper Company; Assets of Huge Proportions

Company Has Been Solely Responsible For Creating Prosperity and Expansion in Whole Saguenay Region—Price Family Were First to Realize Possibilities of Territory

ESTABLISHED "KINGDOM OF THE SAGUENAY"

Company Has Steadily Expanded Since Its Inception 110 Years Ago—Now Occupies Favorable Position With Timber Resources More Than Sufficient to Supply Its Mills in Perpetuity

The history of Price Brothers & Company is the history of the exploration and commercial development of the great Saguenay watershed during the past one hundred and eight years.

William Price, the founder of the Company, first came to Canada, as a representative of the British Admiralty, in 1810. His object was to fifind a new source of supply for battleship masts, in view of Napoleon's action in preventing England's further access to the Sandinavian countries. What he saw during months of exploration in the Saguenay country so impressed him that, on completion of his mission, he returned to Canada in 1817 to seek his fortune in the forests of Quebec.

Associated with James McGill, the founder of McGill University, Mr Price first bought land on the St. Margaret River, where lumbering operations in a modest way were begun. Subsequently, a sawmill was purchased and the manufacture of lumber was commenced, under the name of William Price & Son, the founder's son David having been taken into partnership. Later on, two other sons, William and John, entered the business, which then became known as Price Brothers & Company.

An Inland Kingdom

William Price, the elder, died in 1867. During the period of fifty years of his domicile in Canada, he had established a veritable "Kingdom of the Saguenay," comprising several thousand square miles of valuable timber lands, a number of sawmills and many of the important water powers in the Saguenay and Lake St. John district.

Large Paper Mills

The late Sir William Price, who lost his life under tragic circumstances while personally supervising reconstruction work at Kenogami, in 1924, succeeded his uncle, John Price, as head of the business in 1899.

At that time, the Company had in operation about 12 sawmills at Ste. Marguerite, Grand Bay, Rivière du Moulin, Chicoutimi and elsewhere and controlled nearly 7,000 square miles of timber limits, a total considerably in excess of the holding of any other individual or company in the Province.

On assuming control, Sir William — realizing that the Company possessed all the resources of pulpwood and water power necessary to enable it to successfully enter the paper-making industry—carried through, with the cooperation of other lumber interests on the Saguenay, the erection of a paper and board mill at Jonquière (on the Au Sable River, a tributary of the Saguenay) in 1902. That mill became, and still is, one of the most profitable units of the Company, producing approximately 50 tons per day of paper and board products, including 30 tons of special high-grade newsprint which is used in the magazine section of the New York "Times" and large quantities of coating, hanging and transfer papers, and folding, solid wood, bag, bottle-cap and ticket board. The mill is built on a steep hillside, making possible a gravity flow of materials from receiving to finishing ends.

Broadens Activities

The great success of this initial venture in the manufacture of paper led to the decision in 1910 to operate on a much larger scale, and plans were laid for construction of the new mill and townsite which came into operation in 1912 at Kenogami, about 120 miles north of Quebec on the Canadian National Railways. Kenogami is near Jonquière and quite close to the sources of its electrical power — the Saguenay, Au Sable, Chicoutimi and Shipshaw rivers. It is connected with Lake Kenogami by means of the Au Sable River. Lake Kenogami forms a storage lake, 22 miles long, into which logs are driven from the Company's limits on the Ecorces, Pikauba, Cyriac and other rivers, for use as required at the mill. During the spring of 1923, 90,000,000 feet of pulpwood was stored in the lake. The Kenogami mill also receives a large quantity of pulpwood from the Shipshaw watershed, across the Saguenay River, logs being carried direct to a boom at the mill by means of two flumes, 3 and 10 miles long respectively.

Producing Paper

The first three newsprint machines which came into operation at Kenogami, in 1912, had a daily capacity of 150 tons. Between 1917 and 1920, two additional machines were installed and the daily output was then 260 tons. Subsequently, a general speeding up of the five machines took place and by improved manufacturing methods their output was increased to 305 tons per day.

Demand for Price Brothers newsprint continuing to be in excess of productive capacity, two new 100-ton Walmsley machines of the latest type were installed and came into operation in 1924, thereby increasing the Company's capacity output to more than 500 tons of newsprint per day, in addition to the considerable quantity of board and cover paper used for wrapping newsprint rolls.

Efficiency Is Increased

The efficiency of the Kenogami mill was further improved by the installation of an electrical steam generating plant of a total capacity equivalent to 5,500 boiler horsepower, replacing the less economical and more cumbersome coal burning plant; and pulp production is expedited by the installation of 14 magazine grinders, set in pairs and driven by 7 synchronous motors. The advantage of magazine grinders over the older style 3-pocket grinders is that no time is lost in reloading the pockets and less labour is required to keep the magazines filled.

Lake St. John, at the head of the Saguenay River, discharges its waters through two outlets, the Grand Discharge to the north and the Little Discharge to the south. These two channels unite ten miles downstream to form the Saguenay River, enclosing between them the Island of Alma, which is approximately two miles wide. About two miles above the junction, the Grand Discharge is divided into two channels by the island known as Ile Maligne, which is only a small island. This site, on account of its position and the excellent foundations available, was selected for the construction of the enormous Duke-Price hydro-electric power development, in which Price Brothers still control a large interest. The main dam and power house is situated on the north or left channel.

Riverbend Mill

At Riverbend, on the south side of the Ile Maligne, Price Brothers have erected a completely integrated newsprint paper mill with two machines, each of 100 tons daily capacity. The Riverbend mill is entirely operated, as regards both motive power and steam generation, by hydro-electric power supplied from the nearby Duke-Price development, and is one of the first newsprint mills on this continent to be operated throughout by electrical power. In all respects the equipment of the mill is of the most modern and efficient type, enabling it to manufacture newsprint paper through every process from preparation of logs to the finished, wrapped product. By the end of the current year the output of this plant will be increased by an additional 200 tons a day.

Pulpwood for the new mill will be obtained from the Company's limits on rivers tributary to Lake St. John, the impounded waters of the latter forming, at the Little Discharge, an ideal booming ground for logs intended for the mill.

John H. Price Succeeds

Following the death of Sir William Price in the autumn of 1924, John H. Price, his eldest son, succeeded him as President of Price Brothers & Company. The Duke-Price and Riverbend developments had been planned by Sir William Price and his associates. Financing and construction of the Riverbend mill have since been carried through most successfully by the present administration.

As and when conditions justify a further extension of the Company's newsprint manufacturing capacity, another 200-ton mill can be erected nearer to the mouth of the Saguenay; this mill would use power from the Duke-Price development and would obtain an ample supply of pulpwood from the extensive timber limits which the Company controls in that district. These extensions would give the Company an eventual capacity of more than 1,100 tons per day, as compared with a present rated capacity of 200 tons.

Large Timber Areas

While others counted the cost and hesitated, the far-sighted founders of Price Brothers & Company went ahead and secured control of timber areas wherever the opportunity arose. The result of that policy is seen to-day, when the Company controls no less than 9,700 square miles of Quebec timber limits — an area which is larger than either the State of Massachusetts or the Principality of Wales—situated on watersheds tributary to the Company's plants on the Saguenay and St. Lawrence Rivers.

These timber lands are estimated to contain approximately 45,782,055 cords of pulpwood, sufficient to produce 31,000,000 tons of newsprint paper, or a supply for operation of the Company's mills at designed capacity for a period of more than 100 years, without allowing for new growth.

Near Its Timber Limits

Over 60% of these timber holdings are located in such close proximity to the Company's mills as to make pulpwood available at the mills through a one-year drive, as compared with two-year drives and the consequent increased cost of raw material in the case of many Canadian paper companies.

In order to conserve its pulpwood supply, Price Bros. have adopted every possible method of avoiding waste in cutting and to protect the forests from fire and tree diseases. Expert foresters constantly study, both in the laboratory and in the bush, the best methods of combating wastage, and experiments are carried out with improved methods of logging, seeding and replanting.

It is the settled policy of the Company to cut each year a proportion of both near and distant wood and thus avoid the necessity of going farther and farther away from the mills to obtain logs at a progressively increasing cost for driving or overland transportation.

As much wood as possible is salvaged from burnt-over areas, and is, by skilful methods, utilized in producing newsprint of standard grade; a measure of economy which is typical of the extreme care with which the resources of the Company are husbanded.

Large Water Powers

Water powers controlled by Price Brothers have a total estimated capacity in excess of 125,000 horsepower, at present developed to a rated capacity of 63,250 horsepower — equivalent to the hydro-electric requirements of a city of approximately 200,000 people. The principal water powers, the contributory watersheds and rated capacities, are as follows:—

Description	Watershed	Rated Capacity H.P.
Developed:—		
Chutes aux Galets ..	Shipshaw	17,600
Murdock Falls	Shipshaw	10,400
Kenogami	Au Sable	19,900
Jonquière	Au Sable	4,200
Chicoutimi	Chicoutimi	8,000
Rimouski Pulp Mill .	Rimouski	3,150
Total Developed		63,250
Undeveloped:—		
Wilson Power ..	Shipshaw	25,000
Sault au Cochon	Sault au Cochon	18,000
Batiscan	Batiscan	15,000
Rimouski	Rimouski	3,000

Subsidiary Development

Some years ago, Price Brothers & Company in conjunction with the late J. B. Duke formed the Quebec Development Company which chiefly controlled among its assets the two major water power sites of the district, namely Grande Décharges and Chute à Caron. Price Brothers & Company owned 25 per cent. of the stock in this subsidiary.

Originally, the Quebec Development Company owned the entire equity in the Duke-Price power plant. Later, though, the control of that company was sold to the Aluminum Company of America; the Shawinigan Water and Power Company also obtained a 20 per cent. interest in the equity. The sale left the Quebec Development Company with 26 per cent. of the shares of the Duke-Price Company. Hence Price Brothers & Company through its original holdings of the Quebec Development Company now owns something over 6 per cent. of the shares of Duke-Price Power.

Chute à Caron Sold

Later the Quebec Development Company sold its Chute à Caron power site to the Aluminum Company. Price Brothers' share of the sale price was $4,090,000 par value of the 6 per cent. preferred stock of the Aluminum Company and 36,800 common shares of the Aluminum Company. Since Price Brothers & Company acquired these securities they have shown a substantial appreciation in price.

Price Brothers' power requirements are largely purchased on a low cost basis from the Duke-Price Power which supplies its parent company with some 145,000 h.p. —as required, additional low cost power will be supplied by the power company.

From its own developments, and under the favorable contract with the Duke-Price Company, therefore, Price Brothers is assured of an adequate and economical supply of hydro electric power.

Owns Many Sawmills

Price Brothers & Company has for over a century been one of the largest manufacturers of spruce lumber in Canada and its sawmill properties are a considerable source of revenue to the company. The mills are located at strategic points on the various rivers to which the timber areas are tributary. Their daily capacity is as follows:

Sawmill	10-Hour Capacity Board Feet
Rimouski	140,000
Matane	110,000
Metis	80,000
Jonquiere	65,000
Salmon Lake	60,000
Batiscan	55,000
Total	510,000

The annual production of these sawmills is approximately 66,000,000 ft. b.m. of lumber, 42,000,000 shingles and 13,000,000 laths.

As regards its lumber business, the company has for many years been in the fortunate position of disposing of the entire annual output of its sawmills to a few large customers, who continue to take the entire output.

Has Unusual Assets

Apart from its physical properties, the Price Brothers business is surrounded by unusual assets on which no adequate value can be placed. One of the most striking of them is the co-operation which exists between its various departments, and it is to this team-work that much of the success of the company must be attributed. One has but to travel in the Saguenay district to be impressed with the pride of the employees in the company for which they work. One employee has been in the service of Price Brothers for 75 years and there are many others who have been regularly employed by the company for more than 40 years, having literally "grown up with the company." The members of the executive and manufacturing branches of the organization are efficient and intensely loyal to the Company, as are the great numbers of woodsmen and others on the company's payroll.

Issued Currency

For many years before Confederation, in 1867, Price Brothers issued their own money, which was then the recognized legal tender in the territory in which they operate, and there are still living many old employees of the company who affirm that they refused to accept government bills when growth of the company rendered the use of them necessary. In other words, they considered Price Brothers' promise to pay to be of greater value than that of the Dominion government.

One tangible evidence of the Price family's careful regard for the comfort and general welfare of their employees is the fine modern town of Kenogami, which has been built entirely by the company and at present houses a population of more than 4,000 people, mostly dependent upon Price Brothers' activities. Besides well-built residences, the town includes churches, schools, a well-equipped hospital, a community club house with reading rooms, motion picture theatre and dance hall, bowling alley, billiard and pool rooms and skating rink, the Staff House—one of the finest buildings of its kind in Canada—and the King George House, a large boarding establishment for employees. There are also tennis courts, football and cricket fields, curling rinks and a fine toboggan slide. One section of the town, overlooking the Saguenay, has been set aside by the company and divided into lots for sale at moderate prices to employees who wish to erect their own houses.

Erects Model Towns

A similar model town is being erected by the company for the employees of its Riverbend mill.

The value of Price Brothers' annual sales of pulp, paper and lumber products reaches a total of well over $11,000,000. This extensive business gives employment, from time to time during the year, to about 10,000 workers in mills and forests in the Saguenay district and on the South Shore of St. Lawrence, and entails the annual distribution of approximately $5,750,000 in salaries and wages. The government of the Province of Quebec derives from the company's operations on Crown lands each year approximately half a million dollars in revenue paid by the company by way of stumpage dues and ground rents. Insurance carried by the company on its buildings, plant, machinery and inventories reaches the impressive total of $18,500,000.

National Importance

In addition to the five and three-quarter millions of dollars annually paid out in salaries and wages to employees, the operating requirements of the company, as regards machinery, materials, supplies and transportation, call for the expenditure of very large amounts of money which contribute materially to the success of Canadian industrial and transportation companies, as well as wholesalers and retailers of a wide range of commodities. It is easy, therefore, to realize the tremendous importance of this industry from the national standpoint.

Its Capital Structure

Price Brothers & Company, Limited, was originally incorporated in November, 1904, but it was not until November, 1910, that the first issue of the company's securities was made to the general public, when £1,000,000 of 5 per cent. 20-year first mortgage bonds were sold in Canada and Great Britain. These bonds, of which small additional amounts were subsequently issued to refund in part capital expenditures made by the company, were listed on the London and Montreal stock exchanges and enjoyed a broad and popular market.

The existing company was incorporated under the laws of the Province of Quebec in October, 1920, and the $8,534,000 of previously outstanding common shares, paying 8 per cent. annual dividends and then quoted in Montreal at nearly $500 per $100 share, were exchanged on a five-for-one basis for common shares in the new company. The new common shares recently had a market value in excess of $100 per share, and dividends at the rate of 2 per cent. per annum are at present being paid.

In February, 1923, the company's previously outstanding 5 per cent. 20-year first mortgage bonds were retired, and a new issue of $25,000,000 6 per cent. 20-year first mortgage bonds was created, of which $10,000,000 were issued for retirement of the old bonds, to complete construction of an addition of 200 tons per day to the Kenogami mill, to provide for construction of the 8,000 horsepower hydro-electric power plant at Chicoutimi and for other acquisitions; and in May, 1925, an additional $5,000,000 of the new bonds were issued to provide in part for the cost of the new mill at Riverbend.

Held Abroad, Too

The company also has outstanding $7,000,000 of 6½ per cent. cumulative redeemable sinking fund preferred shares, issued in December, 1924, and held by investors in Canada and Great Britain.

There is a wide interest in Price Brothers' preferred and common shares on both sides of the Atlantic. The company's securities have always been favorably regarded by English investors, and both the preferred and common shares are listed on the London Stock Exchange. The common shares are also listed in Montreal, and application is being made to list the preferred.

Has Large Holdings

The capitalization of Price Brothers and Company now consists of a funded debt of $14,645,000; $7,000,000 in preferred stock, and 426,832 common shares of $100 par value. This capitalization compares with a property account of close to $64,000,000 and total assets in excess of $75,000,000—a figure which does not include a valuation of the company's investments at either their cost or their present market value. All in all, the company occupies a strong financial position.

At the close of 1927, Price Brothers acquired the majority of the control of the shares of the Donnacona Paper Company. This subsidiary plant is located on the St. Lawrence, not far from Quebec. It has an output of 230 tons of newsprint daily. The association of the two companies provides savings in woods' operations.

In addition, Price Brothers, jointly with the Port Alfred Pulp and Paper Corporation, in 1927, acquired the Quebec Pulp and Paper Mills Corporation which owns several groundwood mills in the Saguenay region. The operations of this subsidiary are covered elsewhere in this issue.

The total rated capacity of Price Brothers' mills, excluding that of its subsidiaries, is 775 tons of paper daily, and all of which is newsprint, save 50 tons daily of cardboard from the Jonquière mill. A small groundwood mill is operated at Rimouski. The newsprint output comes from the two largest mills at Kenogami and Riverbend.

FIRMS IN REGION MAKE BIG STRIDES

Firms which began operating in the Saguenay region before the era of expansion there have all experienced wonderful opportunities for growth. For instance, Cote, Boivin & Company commenced operating in Chictoutimi in 1896 as a small retail store. It is now the oldest and largest commercial firm of its kind in the Saguenay district.

The company is now a large wholesale organization, has its own warehouses and railway sidings and its branches throughout the region. Its main activities are concentrated on the distribution of groceries, provisions, grain, hardware and building materials. In addition, the firm has a large automobile division, handling motor cars and trucks. Some retail stores are operated; in all the company employs over 80 people. William H. Giroux is president and general manager. He has been keen enough to see the opportunities offered for the development of the area during the 15 years of his presidency.

THE

Provincial Bank of Canada

Incorporated by Act of Parliament in July, 1900

Capital Authorized: $5,000,000.00

Capital Paid-Up and Surplus: $5,810,000.00

Offers splendid banking facilities in this rapidly growing area,

We welcome new accounts.

Branches:

Jonquiere • Chicoutimi

You Do Not Need a Gold Mine To Make Money in Canada

Great prosperity is coming to Canada and more especially to the Saguenay River district, where there is in progress the fastest growing industrial development the world has ever seen. In five years, undoubtedly, it will be said that more money has been made by the increase in land values than was made in the Gold Mines.

BUY SOME LAND

INVEST IN ACREAGE
INVEST IN A SUBDIVISION SYNDICATE
INVEST IN SOME LOTS
DO NOT DELAY BUT BUY NOW

We have over 4,000 lots in this fast growing section and priced so that every one will make money. Several hundreds of them are in Chicoutimi and only one-half mile from the magnificent new wharves now being constructed. 3,000 of them are within one and one-half miles of the big Aluminum Plant at Arvida, which will be one of the largest industrial plants in Canada.

Come and see us or write for information.

DOYLE BROS. & CO., LTD.
257 Racine St. Chicoutimi, P.Q.
SALESMEN WANTED

THE TOWN OF BAGOTVILLE

Province of Quebec

SITUATION. Northernmost of the three villages which border on the three miles of shore line at the foot of Ha! Ha! Bay, one of the finest natural harbors in Canada.

ADMINISTRATION. Progressive; well disposed toward any new industry coming in, assuring alert civic cooperation and any reasonable concessions.

POWER. 1,500 H.P. has been developed by the municipality, which enables them to offer this energy at very moderate rates. Further abundant electricity available to suit all requirements.

LABOR. Adequate local talent capable of supplying moderate demand.

TRANSPORTATION. Served by the Canada Steamship Lines, by various freight lines, and by the Roberval & Saguenay Railway.

Further Enquiries are Cordially Solicited

L. Joseph Levesque
Mayor

A New Paradise for Sportsmen!

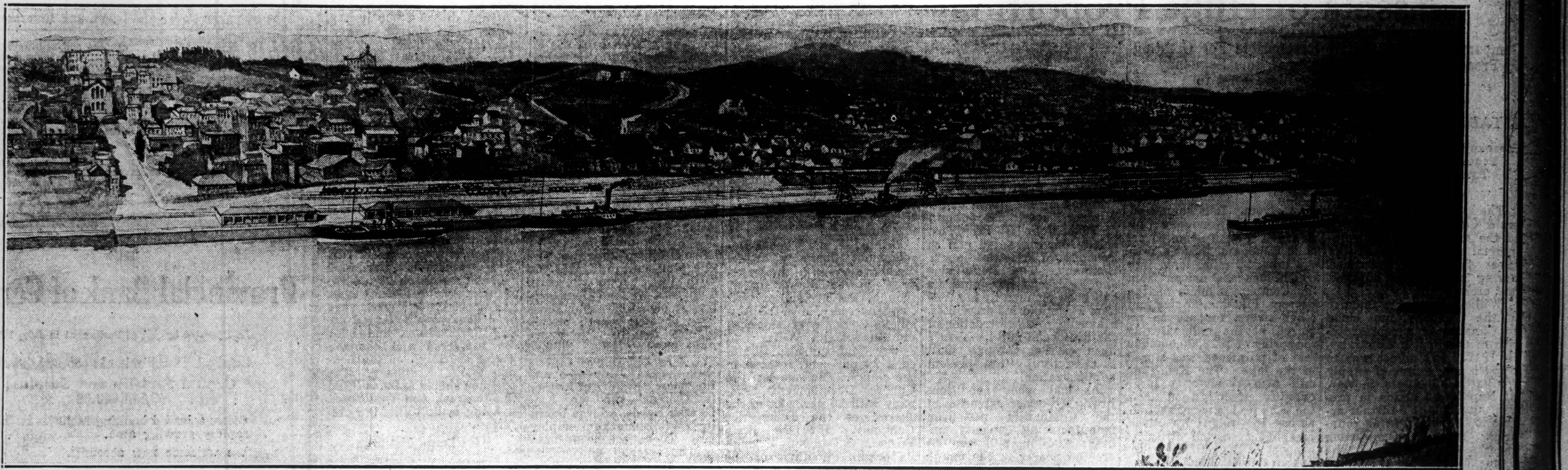
Break away from business and spend a few weeks each year at the

Tchitagama Fish & Game Club

This club has recently secured from the government exclusive fish and game rights on one of the finest preserves in Canada. The boundary stretches some eighty miles along the smooth waters of the Peribonka River, enclosing beautiful Lake Tchitagama and numerous others of lesser dimension. Ouananiche, grey trout, pike and speckled trout in abundance, while the forests and lakes offer partridge, grouse, wild ducks and wild geese. Big game hunters are free to track down the moose, caribou and black bear, all on the extensive club preserves.

For Further Particulars, Apply to the Club Secretary-Treasurer

Mr. J. A. GUILMET, Manager, Bank of Montreal
CHICOUTIMI, QUE.



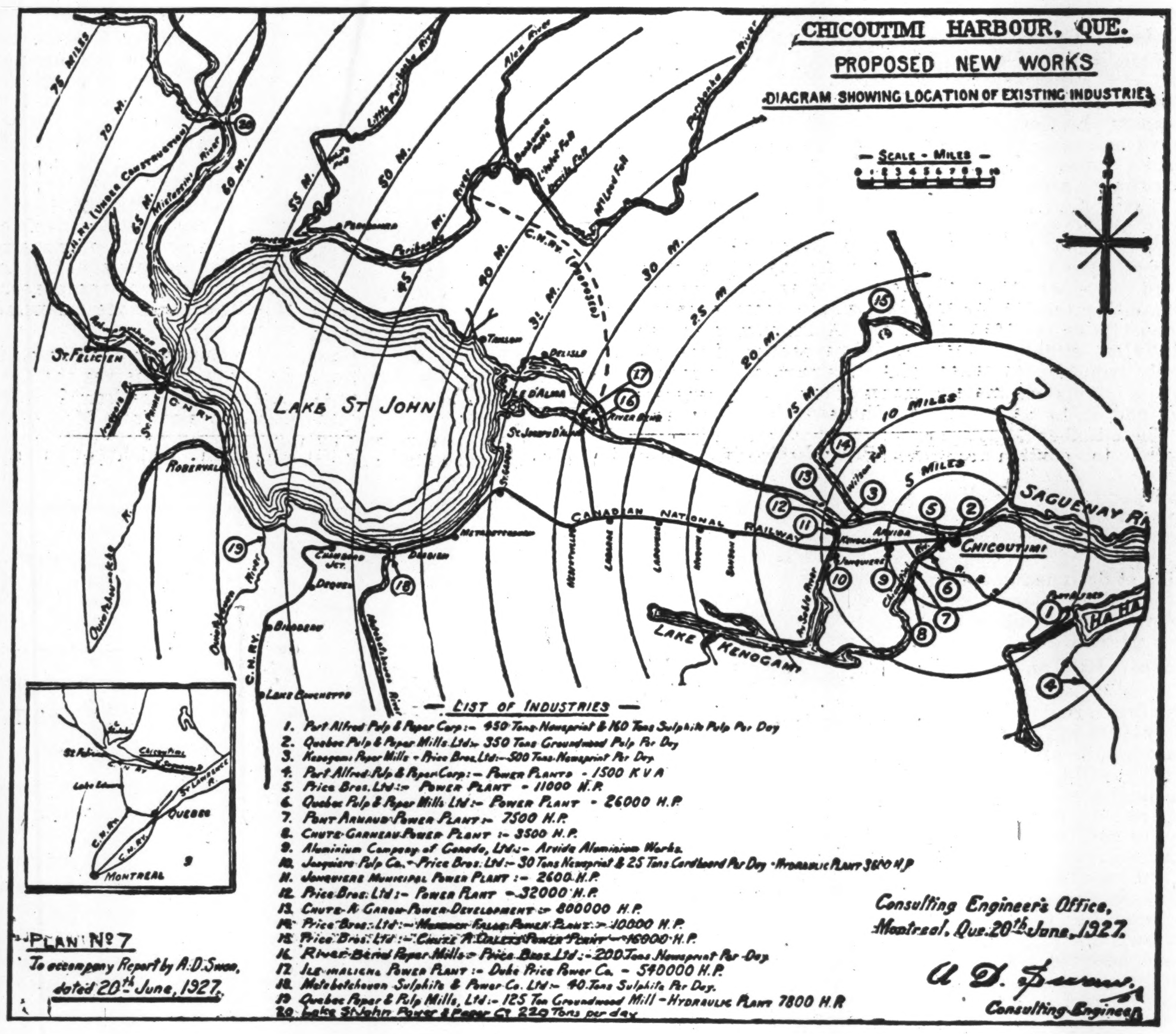
A Federal Port—Serving an Expanding District

Chief Officials of Corporation

Secretary-Treasurer
ARMAND VIAU

Engineer
EDOUARD LAVOIE

Harbour-Master
FRANCOIS BOULIANNE


CHICOUTIMI HARBOUR, QUE.
PROPOSED NEW WORKS
DIAGRAM SHOWING LOCATION OF EXISTING INDUSTRIES
SCALE - MILES
LAKE ST JOHN
St. FELICIEN
ROBERVAL
CHAMBORD JCT.
DEQUEN
BIBODEAU
LAKE BOUCHETTE
C.N. RY.
CANADIAN NATIONAL RAILWAY
SAGUENAY R.
CHICOUTIMI
ARVIDA
KENOGAMI
JONQUIERE
LAKE KENOGAMI
HA HA
5 MILES
10 MILES
15 M.
25 M.
30 M.
LIST OF INDUSTRIES
1. Port Alfred Pulp & Paper Corp:- 450 Tons Newsprint & 160 Tons Sulphite Pulp Per Day
2. Quebec Pulp & Paper Mills Ltd:- 350 Tons Groundwood Pulp Per Day
3. Kenogami Paper Mills - Price Bros. Ltd:- 500 Tons Newsprint Per Day
4. Port Alfred Pulp & Paper Corp:- Power Plants - 1500 K V A
5. Price Bros. Ltd:- Power Plant - 11000 H.P.
6. Quebec Pulp & Paper Mills Ltd:- Power Plant - 26000 H.P.
7. Pont Arnaud Power Plant:- 7500 H.P.
8. Chute Garneau Power Plant:- 3500 H.P.
9. Aluminium Company of Canada, Ltd:- Arvida Aluminium Works
10. Jonquiere Pulp Co. - Price Bros. Ltd:- 30 Tons Newsprint & 25 Tons Cardboard Per Day - Hydraulic Plant 3600 H.P.
11. Jonquiere Municipal Power Plant:- 2600 H.P.
12. Price Bros. Ltd:- Power Plant - 32000 H.P.
13. Chute-A-Caron Power Development:- 800000 H.P.
14. Price Bros. Ltd:- Murdock Falls Power Plant:- 10000 H.P.
15. Price Bros. Ltd:- Chute A Dalles Power Plant - 16000 H.P.
16. Riverbend Paper Mills - Price Bros. Ltd:- 200 Tons Newsprint Per Day
17. Isle Maligne Power Plant:- Duke Price Power Co. - 540000 H.P.
18. Metabetchouan Sulphite & Power Co. Ltd:- 40 Tons Sulphite Per Day.
19. Quebec Paper & Pulp Mills, Ltd:- 125 Ton Groundwood Mill - Hydraulic Plant 7800 H.P.
20. Lake St John Power & Paper Co. 220 Tons per day
Consulting Engineer's Office, Montreal, Que. 20th June, 1927.
A. D. Swan
Consulting Engineer
PLAN No 7
To accompany Report by A.D. Swan, dated 20th June, 1927.
QUEBEC
MONTREAL

m Showing Location of Existing Industries in the Chicoutimi and Lake St. John Valley

Personnel of Commission

VINCENT DUBUC
President

ADELARD TREMBLAY
Commissioner

ADJUTOR BOULIANNE
Commissioner

THE HARBOUR COMMISSIONERS
OF THE
PORT OF CHICOUTIMI

FOR FULL PARTICULARS APPLY TO:—

ARMAND VIAU, L.C.S.
SECRETARY-TREASURER

DUKE-PRICE UNIT SUPPLIES POWER THROUGH AREA

Saguenay Electric Distributes Power for Parent Company in Region

The Saguenay Electric Company is an incorporated public service organization, supplying electricity for lights and power in towns, villages and farms in the Lake St. John and Saguenay districts. This company is a consolidation of the Chicoutimi Electric Company, the Central Electric Company, the Northern Electric Company and others which have operated for years in the district.

The Saguenay Electric Company owns five hydro-electric plants with an aggregate capacity of some 5,000 horsepower, and has a contract with the Duke-Price Power Company, Ltd., which insures an ample supply of power for the growing needs of the district. The company's transmission lines supply power to seventeen towns and villages, the largest of which is Chicoutimi, the principal city in the district. A transmission line is now under construction to St. Coeur de Marie, and by fall that town will be among those served and its citizens will be enjoying electric conveniences.

The Saguenay Electric Company is controlled by the Duke-Price Power Company, and has its general office at Arvida and its commercial offices in Chicoutimi. The company's progressive policy is effecting a continuous improvement in community service and is extending such service into the rural districts.

The Saguenay Electric has built up a substantial measure of public goodwill by its enthusiastic adoption of the modern public service idea, namely: A combination of good service, low rates, and full co-operation with customers.

The Saguenay Electric Company takes an active interest in the growth of the district and is doing its share toward making the Saguenay prosperous, and in bringing modern comforts and conveniences to its inhabitants.

First Published Plan of Giant Alcoa Power Company Development

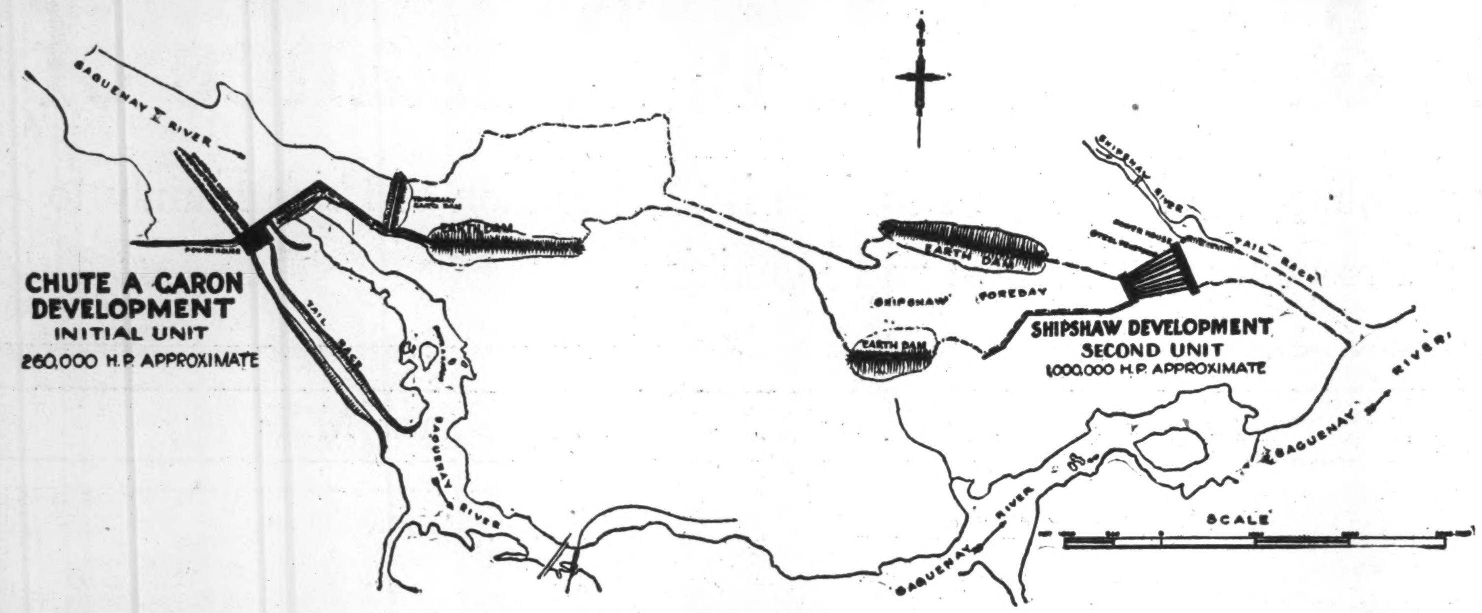


Chart shows how the course of the Saguenay River will be altered to permit development first of 260,000 h.p. at Chute à Caron, and later of up to 1,000,000 h.p. at Shipshaw. The whole scheme is described in the accompanying article.

ONE MILLION H. P. SHORTLY TO BE UNLEASHED

(Continued from page 15)

necessarily expand to use the additional amount of power generated by the Chute à Caron development. Early in the spring of 1929 a large building programme will be undertaken at the Arvida works, sufficient to utilize the additional power supply of the new Chute à Caron development. At the same time the residential section of the town of Arvida which was built during the summer of 1926, will require future expansion to provide homes for the increased number of employees to operate the Aluminum industrial plant at Arvida.

Seasoned by the experience of a half century the Aluminum Company has so arranged this development that no time will be lost in its final fulfilment. Construction work at Arvida, at the present time, is very quiet, the large number of employees now being required for the operation of the Aluminum works only.

In July, 1930, the Chute à Caron development will be ready for operation and the power generated will be turned directly to the Arvida plant for the production of aluminum. Additional homes will be provided for the increased number of employees in the plant.

From the above outline one can grasp the necessary industrial and residential expansion which must follow the construction of a large hydro-electric development.

Shipshaw Development

Having completed the initial unit in the work at Chute à Caron, construction of the second unit of the development to be known as Shipshaw development will probably commence at once. The Saguenay, now bridled at Chute à Caron and previously at Ile Maligne, will eliminate the hazards of diverting the river. An organized staff of employees and a construction organization will be on the job. The crushing and mixing plants as well as the construction equipment will be available, moreover, the waters of the Saguenay River will be held back by the earth dam at the entrance to the Shipshaw canal.

Due to the large amount of power available at the lower development with a head of two hundred and five feet and with a total installed capacity of approximately 1,000,000 h.p. the water will gradually be diverted from the first unit at Chute à Caron to the Shipshaw development and periodic extensions will be made at the Arvida plant.

Chute à Caron Closed

The four units at Chute à Caron development will not use the full flow of the Saguenay River and a certain amount of water will of necessity be discharged through the sluice gates of the dam at Chute à Caron.

As the power requirements of the Aluminum plant at Arvida increase, additional units will be installed at Shipshaw until provision has been made to use the entire flow of the Saguenay, at which time the initial plant at Chute à Caron will be used as a standby plant or to generate power at the time of the seasonal floods on the Saguenay River.

Incidentally the units installed at the Shipshaw development will be 90,000 h.p. each. These units to be the largest in the world.

Plans For Arvida

One must not forget that in the development of this power project, Arvida will also progress. Just as the summer of 1929 will witness expansion in the Aluminum plant and residential section of the town of Arvida to meet the requirements of the power generated at Chute à Caron, so again will further expansion of the Aluminum city be necessary to provide for the larger quantity of power furnished in the Shipshaw development. To see Arvida now one is impressed not only by the magnitude of the plant but by the present general appearance of the residential sections. Already tentative plans are made for the accommodation of light and heavy manufacturing, other than aluminum; and for commercial, semi-commercial and residential districts. The townsite has been laid out for the necessary expansion which will follow such a development. The town will probably pass the 50,000 mark in population. All of which indicates something of the future of the Saguenay district.

Engineering Masterpiece

But let us go back to the beginning. If to-day, one were to mount that very same promontory and gaze from the same point of vantage used by James B. Duke some sixteen years ago, a different sight would meet the eye. The second decade has worked a miracle and the quiet pastures adjoining "Caron's Whirlpool" are lost beneath construction buildings. Extensive blasting and giant shovels detonate and shriek as they serve the trains rushing away the earth and rock, while myriads of workmen ply co-ordinated energy to achieve a masterpiece of hydro-electric engineering.

Undaunted, unswerving, the work goes on, vesting in itself the bright industrial and economic development of the Saguenay. Like a youth in the full confidence of his newly found strength and manhood, it runs post haste to meet the future.

CHICOUTIMI IS METROPOLIS OF THE SAGUENAY

(Continued from page 15)

sending power to Quebec City, two hundred miles to the south.

The Chute à Caron development, now under construction by the Alcoa Power Company, will eventually generate 800,000 h.p. in one powerhouse, probably ten units of 80,000 each. These are only two of the power developments in the territory. As can be seen in the power chart elsewhere in this issue, there are numerous other—though lesser power plants operating in the district.

A feature of interest is the fact that virtually all these power enterprises are privately owned and have been accompanied by a concurrent development of model industrial housing on modern scientific town-planning lines, such as that of Price Bros., the Lake St. John Power and Paper Corporation, at Dolbeau, and, lastly, Arvida which is intended ultimately to house 30,000 people.

City Sure to Grow

Chicoutimi also is making preparation to meet the expansion, as it is the principal town of the district. Thirty years ago it was but an outpost in the missionary and lumbering field on the edge of that "wilderness" of the valuable forest resources of the Province of Quebec, which by the magic wand of modern scientific industrial skill is fast coming to be the beacon of efficiency in the financial world.

The Canadian National Railways now serves the district with its line from Quebec City and also from Montreal. The trackage entering the town over level crossings will be diverted and overhead crossings will be substituted on the way to the harbor terminals which are also being planned for the greater Chicoutimi of to-morrow. The Harbor Board has retained Noulan Cauchon, consulting engineer and town planner of Ottawa, to design the railway-harbor terminals and also to work out grade revisions and an organic system of thorough haulage between the harbor and the town, as well as through the town, with an eye for regional developments, thus to avoid and obviate the growing traffic congestion.

Chicoutimi is ripe for an extensive housing scheme to relieve the present and rapidly growing shortage of dwelling accommodations, not only for the workmen and mechanics in the industries, but also for the engineering and chemical staffs, to say nothing of administrative officials who are now cramped for space and lack much of the comfort, well-being, and social amenities to which they are entitled and can well afford.

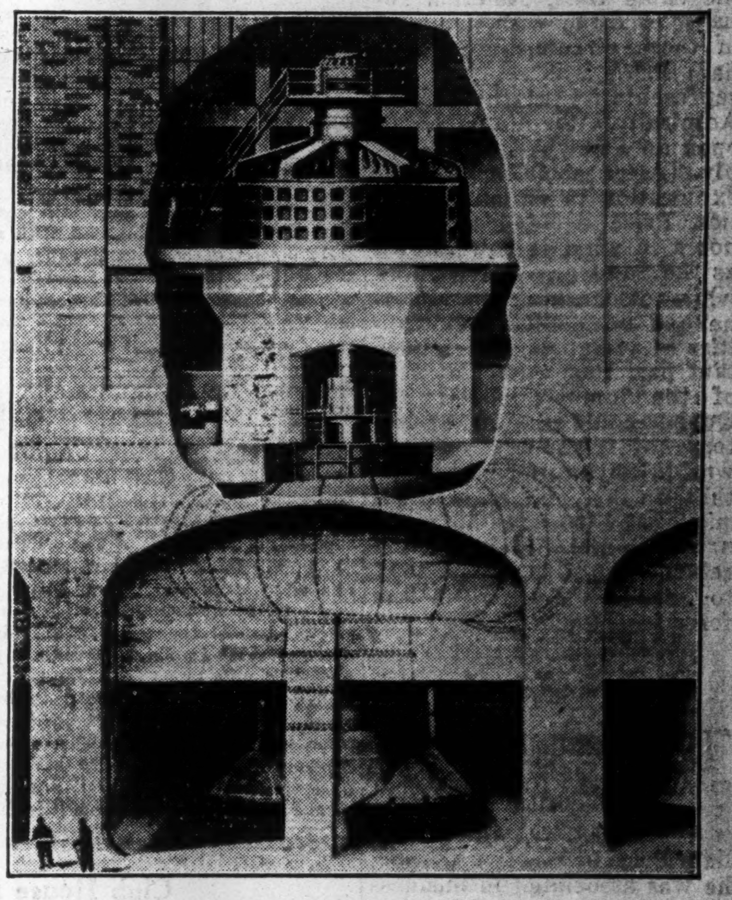
C. P. R. May Come, Too

The Canadian Pacific Railway has had locating parties in the field for some months, seeking through several routes to find the best location for a line from Quebec to Chicoutimi and the Saguenay industrial Eldorado.

The agricultural country, whilst limited to the wide borderlands of Lake St. John and around Chicoutimi, is exceedingly productive and is gradually being brought under scientific cultivation; its production will be enlarged through the help of the Provincial Government's department of agriculture.

Altogether, the Saguenay scientific and industrial miracle is setting a pace for the friendly rivalry of all the other industrial areas of the Dominion.

Giant Turbines at Isle Maligne



Ten giant 50,000 h.p. hydraulic turbines are installed at the Isle Maligne Generating Station. Photo courtesy Canadian Allis-Chalmers.

RSC
INVESTMENT SERVICE

Creative Factors in the Growth of the Saguenay

No part of Canada is more rich in its potential possibilities of industrial expansion than is the district of the Saguenay, province of Quebec.

The harnessing of the hydro-electric resources of the Saguenay has created a new centre of industrial importance where millions of dollars will be distributed in salaries and wages adding to Canadian purchasing power.

Royal Securities Corporation was early instrumental in the industrial development of this district. In November, 1910—eighteen years ago—we sold £1,000,000 Price Brothers 5% first mortgage bonds. In December, 1924, we distributed the issue of $7,000,000 Price Brothers 6½% Cumulative Preferred Shares.

Partners in Nation-Building

Canada has been abundantly blessed in those natural resources which are essential for the growth of a great nation. Canada's forests, hydro-power resources, agricultural and mineral wealth have been responsible for bringing this country into the vanguard of the nations of the world.

Our forest wealth has made Canada the leader in newsprint production. Our waterfalls are focussing world-attention on the opportunities for industry in Canada because of abundant and low-cost hydro-power. Canada is the granary of the Empire, and its great grain harvests flow to the markets of the world. Our mineral production, already spectacular, suggests the tremendous expansion to come.

Capital was essential for the development of these natural resources. And in the stimulation and direction of capital flow into Canadian industry, Royal Securities Corporation for the past twenty-five years has played a creative part. As such, together with its individual investors, it has been and is a partner in Canadian nation-building.

As we purchase entire issues of bonds and shares, we have very complete information to substantiate our recommendations to investors.

Our offices are located in Montreal, Quebec, Three Rivers, Saint John, Halifax, Charlottetown, Toronto, Ottawa, Hamilton, Calgary, Edmonton, Regina, Vancouver, Victoria, New York, London, England; and St. John's, Newfoundland. Thus we are in a position to obtain reports and information on securities from all principal markets.

When you wish to buy, sell, or obtain information on investment securities, consult Royal Securities Corporation.

Royal Securities Corporation, Limited
244 St. James Street - MONTREAL

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History of Price Bros. & Co., Ltd. is Romance of Forest

Vast Lumbering and Paper-Making Enterprise of Quebec Province is Contribution of Price Family to Industrial Prosperity of Province and Dominion

TO SOME of the many thousands of tourists who make the trip up the beautiful Saguenay River, in the Province of Quebec, it may not be known that the development of the whole of that region is due to the vision of one Englishman, named William Price, who settled there over a hundred years ago.

UP TO the year 1810, England had obtained the masts for her battleships from the Scandinavian countries, but in that year a decree was issued by Napoleon which denied England access to those territories. At the same time, America refused to trade with her, and in these circumstances William Price was sent, as the representative of the British Admiralty, to Canada, to open up a new source of supply. After some months of exploration in various localities, Price decided to settle down in what is now known as the Saguenay district, and while discharging his duties he had unexcelled opportunities of visualising the important part that a development of the lumber industry of Quebec could play in the history of Canada and the world. So impressed was he that, on the completion of his mission, he tendered his resignation to the Admiralty and returned to Canada in 1817 to seek his fortune in the forests of Quebec.

Beginning of Firm

THERE exists a little uncertainty about the beginning of the Price firm, but it is known that after the war of 1812, in which William Price saw active service, he was associated in business with James McGill, the founder of McGill University, and the pair bought land on the St. Marguerite River, where lumbering operations were begun.

With the capital now acquired, William Price purchased the property of a mill owner named Peter McLeod, and taking his eldest son, David, into partnership, the firm became known as William Price and Son. Later on, two other sons, William and John, were taken into the business, which then became known as Price Brothers & Company. The original William Price died in 1867, by which time there had been extensive developments. Huge tracts of forest lands and water powers along the St. Lawrence had been secured by the company. While others counted the cost and hesitated, Price Brothers and Company went ahead and secured limits wherever the opportunity arose. The result of that policy is seen to-day, when Price Brothers & Co., Ltd., control either by ownership or on leasehold, no less than 9,692 square miles, or 2,200 more miles than is contained in the whole of Wales.

Returns to Canada

MEANWHILE, yet another brother, Henry, had emigrated to South America, where he spent several years in ranching and development work and became a comparatively wealthy man. Later on, he returned to Canada with his three sons, William, Henry and Arthur.

Strangely enough, none of the three original partners had ever married, and there were no sons to whom they could bequeath the possessions they had accumulated, so that when David and William had passed away, leaving their fortunes to John, it became necessary for the latter to select an heir to carry on. His choice fell upon Henry's eldest son, the late Sir William, who was born in Talca, Chile, and educated at St. Mark's College, Windsor, England, and at Bishop's College, Lennoxville, Que., Canada.

It was a great estate which descended to William Price when his uncle died in 1899—potential rather than actual wealth. There were at least a dozen saw mills in operation at St. Marguerite's Bay, Grand Bay, Chicoutimi and elsewhere, and nearly 7,000 square miles of timber limits—a total considerably in excess of the holding of any other individual or company in the Province; but with the cut increasing each year, it was obvious that, on some of the limits, the supply of the great spruce and pine trees would before long become inadequate.

Inauguration of Paper-making

THE earlier administration had always refused to entertain any proposal to manufacture paper, but on assuming control of the company the new chief saw the great possibilities that existed in the paper industry, in which the smaller trees, unsuitable for lumber purposes, could be utilised, and he was not long in harness before he launched out in this direction. The success of the company since that decision was made has been so marked that it is as paper-makers that Price Brothers & Co., Ltd., are now best known.

The first paper and board mill was opened at Jonquiere in 1902, with a daily output of board and paper of 45 tons. This mill was an immediate success, and although its importance has since been outweighed by the much greater organisations at Kenogami and Riverbend, it remains, for its size, one of the most profitable units of the company, producing large quantities of such lines as coating, hanging and transfer papers, and folding, solid wood, bag, bottle-cap and ticket board.

The first venture was, in fact, so successful that in 1910 it was decided to operate on a much larger scale, and plans were laid for an entirely new mill. Many points had to be considered before the location of this mill was settled upon, but eventually a place a mile or so from Jonquiere was chosen and has proved to be eminently satisfactory. It is quite close to the River Shipshaw, from which the mill obtains the greater part of its electrical power, and by means of the River au Sable it is directly connected with Lake Kenogami. The latter forms a gigantic storage lake, 22 miles long, into which the logs are driven from the cuttings on the Rivers Ecorces, Pikauba, Cyriac, etc., whence they are floated, as required, down to the mill.

Production Increased

THE first three machines, which were running by 1912, had a capacity of 150 tons per day, but between 1917 and 1920 the increased business had called for two new machines, and the daily output was then 260 tons. During 1920-21 a general speeding up of these five machines took place, and by improved methods of manufacture their output was increased to 305 tons per day. It may be interesting to note that this amount of paper is equal to 2,385,000 copies of a sixteen page newspaper as large as the London Times, and represents a strip of paper one foot wide and 21,664 miles long. But the demands were always in excess of the producing capacity, and a new giant machine was laid down, which commenced working in February, 1924, and yet another installed and was making paper by July, 1924, thus bringing production up to 500 tons per day. These two machines are 19 ft. 6 in. wide, and are the last word in paper-making machinery. The whole mill was reorganised so that the wood preparing plant, barkers, chippers, crushers, etc., could keep pace with the paper machines proper.

Lumber Output

THE company still operates a chain of lumber mills along the line of their limits at such places as Batiscan, Montmagny, Trois Saumon, Rimouski, Metis, Matane, Salmon Lake, St. Marguerite and St. Gedeon. Three of these mills are up-to-date band-saw mills, with a capacity of 125,000 feet per ten-hour day. The production for sale per annum is:—

Lumber, 65,000,000 feet board measure.

Shingles, 150,000,000 pieces.

Lath, 25,000,000 pieces.

The lumber and other mill products are conveyed to and from different ports by the company's own fleet of vessels, flying the blue house-pennant of the company.

The ever-increasing output has, of course, called for a corresponding augmentation of electric power, but having control of certain water powers in the Lake St. John area, Price Brothers & Co., Ltd., have had no difficulty in this respect. A small hydro-electric plant, developing 600 horsepower, was sufficient for the first years at Jonquiere, but by 1912 this had been increased to 4,200 horse power and two other power stations had been built, one on the River au Sable, and the other on the Shipshaw River, with a capacity of 18,000 h.p. and 10,000 h.p. respectively. These were sufficient until 1920, when it again became necessary to increase the supply, and a 15,000 h.p. plant was put in at Chutes aux Galets on the Shipshaw River. Further developments have rendered it advisable to build a new station at Chicoutimi with a capacity of 7,500 h.p. A photograph of this power house occupied a prominent position in the Canadian Government exhibit of hydro-electric power at the British Empire Exhibition at Wembley. The power house is particularly interesting in view of the fact that most of the concrete of which it is constructed was poured in the winter time at a temperature of between 10 and 40 below zero.

Remarkable Forest Body

AT THE back of all these activities, and the foundation upon which the whole system rests, is the forest, without which the whole thing becomes valueless, and it is when considering this aspect that one is most impressed with the foresight displayed by the late Sir William Price and his predecessors, for the real strength of Price Brothers & Co., Ltd., to-day is not in the mills at Kenogami, Riverbend, or in Jonquiere, but in the thousands of miles of spruce and balsam which they either own or hold on lease.

For the purpose of comparison it may be noted that these vast timber limits would cover the English Home Counties, and to those who may contend that no one firm should be allowed to control such gigantic areas it may be pointed out that when the founders of this company commenced business the Government of the day would go down on their knees to such men as William Price and his sons and implore them to undertake development work. These pioneers risked their all; many found the task too great and failed; but others won through, and their reward should not be denied them.

Experience Important

ANY company with sufficient capital can build a mill, but it is not an exaggeration to state that no money could to-day purchase, first the forest and then the experience and organization necessary for the task of supplying sufficient logs to produce 700 tons of newsprint per day. In many parts of the American continent a lack of this experience, leading to wasteful cutting and the absence of any scheme of reafforestation, has resulted in the permanent denudation of great tracts of forest lands. The supply of raw material, thought to be inexhaustible, has ceased, and mills have been forced to close down. To avoid anything of this kind on their limits, Price Brothers & Co., Ltd., have adopted every possible method of avoiding waste in cutting, and do not hesitate to incur whatever expenditure may be necessary to conserve the forests and to protect them from their great enemies—fire and tree diseases. At all times of the year, trained and well-qualified experts are studying, both in the laboratory and in the bush, the best methods of combating the many pests with which the woods are afflicted, and in several suitable locations experimental areas have been established in which new and improved methods of logging, seeding, replanting, etc., are carried out.

A staff of civil engineers and their assistants is permanently employed on river improvements, building and repairing dams and bridges, and in the construction of such devices as log sluices, in which the logs are hurled from the mountain side to the river in a rush of water which carries them along at more than 25 miles an hour.

Logging Operations

THE Logging Division, upon which rests the responsibility of providing Kenogami, Riverbend and Jonquiere with wood is of ever-increasing importance. In 1904, the timber cut for pulp amounted to 3,500,000 feet. Last winter it was 150,000,000 feet, and only those who are intimately connected with the industry can realize what it means to economically cut, haul to the river and float to the mills, such an enormous amount of wood.

The forests have to be constantly surveyed and mapped, so that the management may know the amount of timber and its species in any particular area, and when the cutting programme has been decided upon, camps have to be built, roads made and depots stocked with every requisite for the army of lumberjacks who cut the logs and who are dependent upon these depots for everything they require during the winter. A complete telephone system has to be installed, connecting the office at Chicoutimi with every part of the cuttings, in order that the logging manager may be in close touch with events in the bush.

Fire Protection

THE Fire Protection Department, although, of course, entirely nonproductive, is one of the most important and costly units of the company. Entirely at their own expense, Price Brothers & Co., Ltd., have organized and equipped one of the most elaborate and efficient systems in the Dominion. The limits are divided into several distinct areas, each being under a fire inspector, under whom is an adequate number of fire rangers, who patrol the forests on foot, horseback or canoe. These rangers are equipped with uniform, compasses and field glasses, and carry watchmen's clocks which they are required to punch at allotted places and times on their patrols. Look-out posts are established, which are connected by telephone with the Chicoutimi office, and in the event of a fire breaking out the ranger can, by means of his glasses and compass, locate it, and report its position to the management, who can at once take the necessary steps to meet the situation.

At various strategic points complete fire - fighting equipment is stored, including portable pumps, buckets, hosepipes, spades, axes, etc., and in an incredibly short time hundreds of properly equipped men, can, if necessary, be rushed to the scene of any fire.

Consideration for Employees

THE construction of the new mill in 1910 already referred to, involved also the building of a complete town, and from the beginning everything was carried out with the object of giving the employees living there all that was possible in the way of comfort and social amenities. Kenogami, as the new town was called, is to-day an up-to-date community.

One of the most striking features of the Price organization is the wonderful co-operation which exists between its various departments, and it is to this team-work that much of the success of the company must be attributed. Every employee appears to be proud of the company he works for, and there was no more popular chief than Sir William in the whole country. It is not too much to say that he was, and his family are, beloved by all with whom they come in contact.

In Short Period

IT IS difficult to realize that all this progress in the paper end of the business was made within such a short period, and still Sir William Price was by no means disposed to sit down and look at what he had already achieved. The experience he had gained in the past made him more than ever confident of the stability of the Canadian newsprint industry, and a great programme of extension was laid down by him. He proposed to build newspaper mills, so as to bring the company's output to 900 tons per day. He then conceived the idea that it would be cheaper to have the company's mills equipped to generate steam by electricity instead of by coal; with this object in view he made arrangements with the late Mr. J. B. Duke to take a large block of power, if Mr. Duke and his associates would develop the water power known as the Grand Discharge from Lake St. John—he even went further and bought for Price Brothers & Co., Ltd., a quarter interest in this big undertaking. But, unfortunately, Sir William did not live to see the fruition of his plans.

Community's Tribute

IN THE whole world of industry there are few more striking tributes to a man and his family than the monument which stands on the very highest point in the picturesque town of Chicoutimi—a town which owes its very existence to the Price family, for not only did they open up saw mills along the river, but by starting flour mills and encouraging farmers to settle in the district they laid the foundation of those other industries of which Chicoutimi is now the centre, and when this monument was erected it was a French Canadian priest who offered the warmest praise to those whose memory it perpetuates. The first tablet on the monument reads:—

> William Price,
>
> le père du Saguenay.

—and another bears the following inscription:—

> Erected by the Inhabitants of the Counties of Chicoutimi and Saguenay and other sorrowing friends, in memory of William Price, M.P.P., died in Quebec, 12th June, 1881, aged 53 years.
>
> In life respected and beloved,
> in death lamented.

—and a further tablet to the late Sir William Price has been placed on this monument, reading as follows, in English and French:—

> Sir William Price gave up his life in the discharge of duty, at the age of 59 years and two months.

Those who know the "habitant" of the Province of Quebec will realize what a great tribute is conveyed by the words "The Father of the Saguenay," and it is sufficient testimony to the organizing ability and statesmanship of William Price that he should have earned for himself this title. Nor is this the language of flattery or exaggeration, for it was his genius that called into being all that territory between Quebec and Lake St. John and the mouth of the Saguenay, and created the prosperity of its inhabitants. It would really appear that there is some psychological bond between the Price family and the French Canadian, for even greater than their conquest of the wilderness has been their winning of the affectionate devotion of thousands of people in varying walks of life who were, and are, of a nationality and religion alien to their own. In many snug little homes in the Saguenay district one can find old pensioners of the company who speak in terms of real affection of "M'sieur John," "M'sieur Dauvid" and "M'sieur Sir Willie" of the past, and "M'sieur Jack" of the present.

The London Business

WHILE William, David and John were enlarging their business in Quebec, another brother, Edward, came across the Atlantic to England in 1869, and in partnership with Mr. Pierce, founded the firm of Price and Pierce, now one of the greatest timber concerns in the United Kingdom.

The historian, when dealing with a comparatively new Dominion like Canada, has this advantage over the historians of older countries—he can show the remarkable extent to which the development of some particular area, and the industry in that area, has been due to the foresight, energy and business ability of the succeeding generations of one particular family. This is well exemplified in the contribution of the Price family to Canada's industrial success, which has just been outlined.

With the passing of time, as commercial conditions become more complex and involved, the close connections between the family, the district and the industry, now so distinct, will become blurred, and it is desirable that some of the outstanding facts should be put on record. In a country having the potentialities with which Canada is blessed, it is literally true that "what man has done— man can do," and the history of some of these pioneer families, like that of Price, may well act as an inspiration to the young men of to-day.

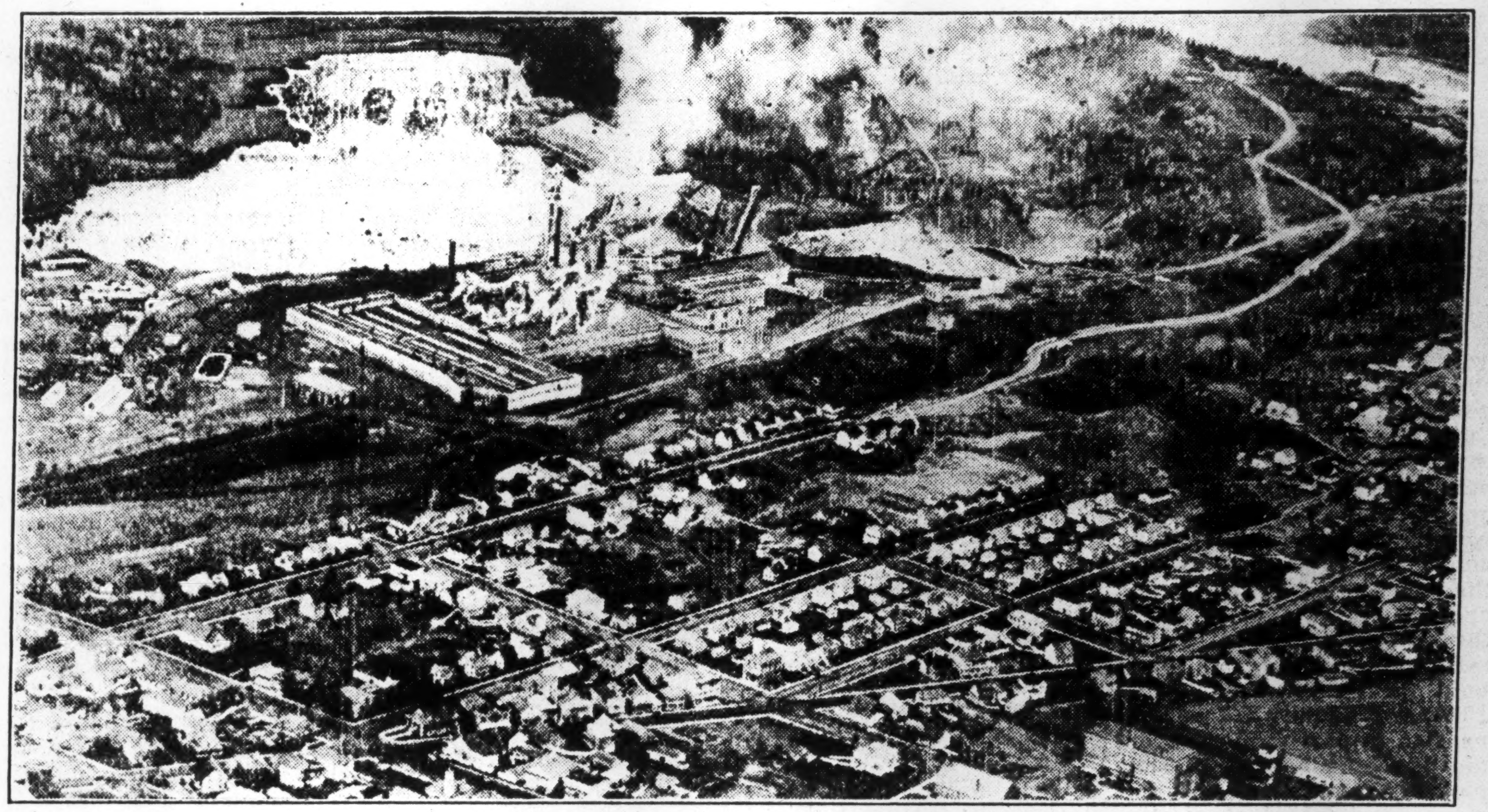
Company of To-day

SIR WILLIAM PRICE was succeeded by his eldest son, Lieut.-Colonel John H. Price, M.C., who became president of the Company in October, 1924, since which time the work on the Grand Discharge has been completed and has developed 480,000 h.p. The mill at Kenogami is now being run by electricity, the additional power required being supplied from the Grand Discharge. A new paper mill has been built at Riverbend, near the discharge of Lake St. John, producing 200 tons of newsprint per day. This is one of the most up-to-date mills in the country, and is run entirely by electricity, which is supplied from the developments of the Grand Discharge.

The Company's output of newsprint has now reached 700 tons per day; but the production planned by Sir William has not been reached yet. With this object in view, the company has begun the construction of an addition to the Riverbend Mill, to double its output, and on January 1, 1928, the total daily production of the company had reached 900 tons, and Price Brothers & Co., Ltd., has become one of the largest producers of newsprint in the world.

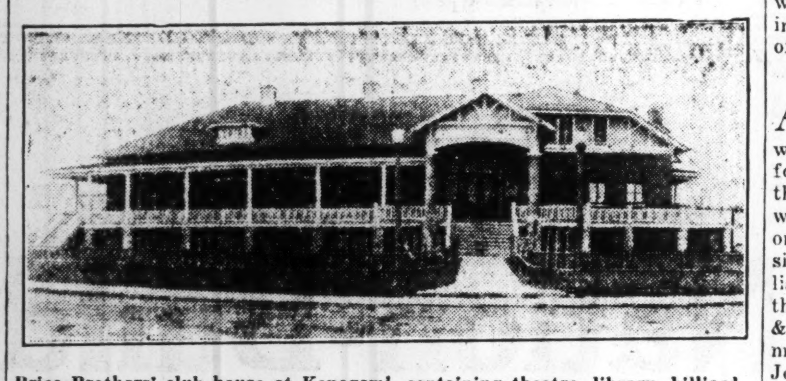
Lieut.-Colonel J. H. Price, M.C., is carrying on the traditions of his predecessors, and the company under his administration should still continue to be a large factor in the industrial development of Canada.

One of Price Brothers' Great Newsprint Mills



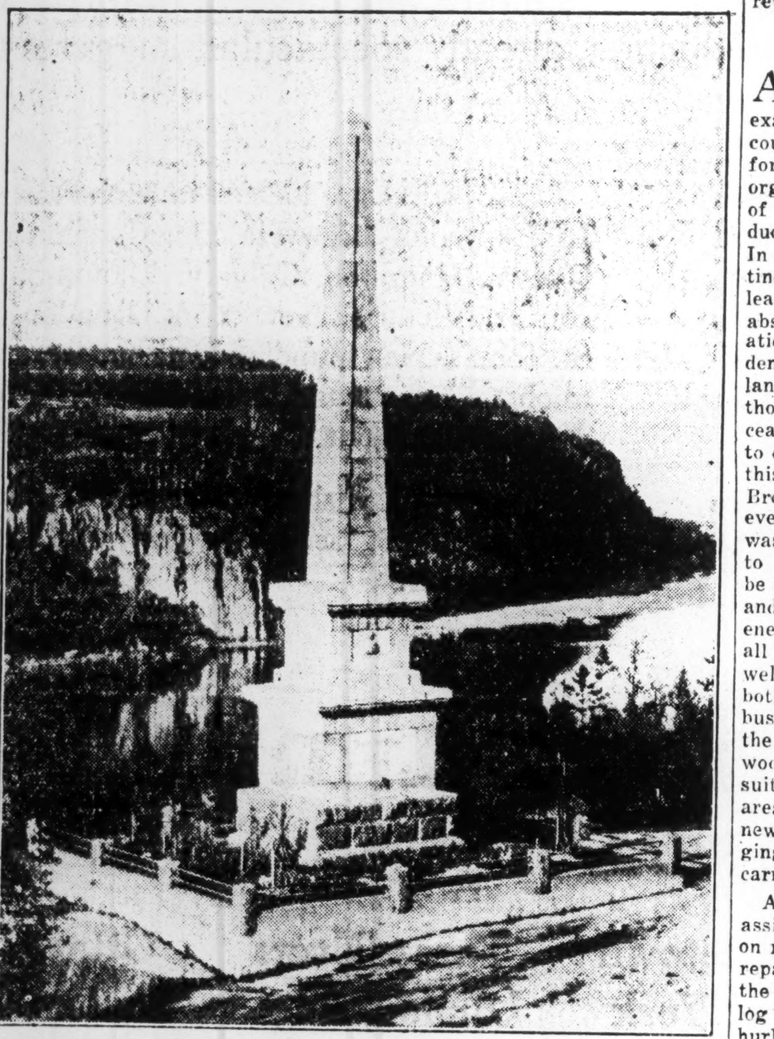
The Kenogami mill, showing also the town of Kenogami which has grown up around the mill.

Club House for Employees



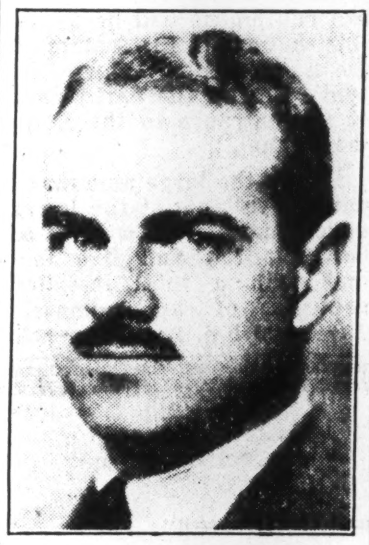
Price Brothers' club house at Kenogami, containing theatre, library, billiard rooms and ballroom for the use of the company's employees.

"Father of the Saguenay"



Monument erected at Chicoutimi to William Price, founder of Price Brothers and Company. Many friends of the great industrial chieftain erected this monument to "The Father of the Saguenay."

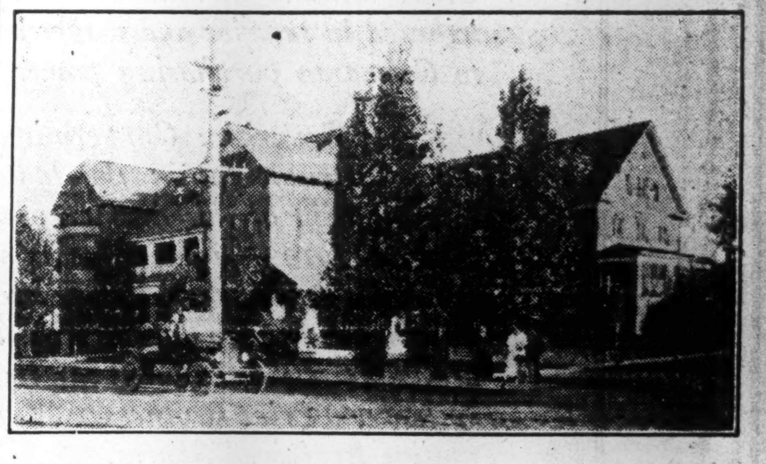
President of Company



—Photo by Hayward, Montreal.

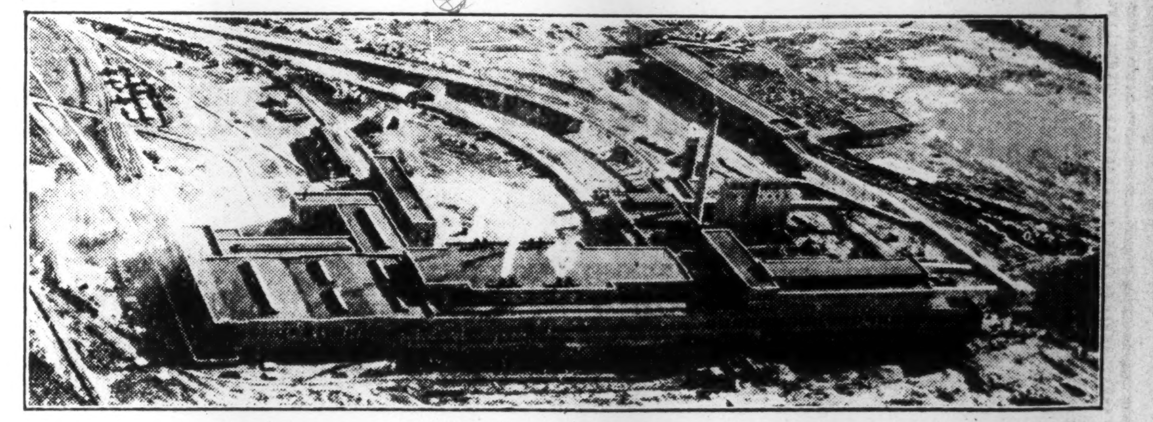
Lt.-Col. JOHN H. PRICE, M.C., President of Price Bros. & Co. Ltd.

Homes for Employees



Two of the Price Brothers' staff houses, erected for the accommodation of employees.

One of the Big Paper Mills



This photograph shows the Riverbend mill of the company. This is one of the most up-to-date newsprint paper mills in Canada.

Aluminum Company Has Completed Only Tenth of Its Big Expansion

Plant Ultimately to be Ten Times Its Present Size

POWER PLANS ALSO

Will Build Largest Power Plant in World—Development at Arvida of $100,000,000

Cheap power brought the Aluminum Company into the Saguenay region. When Sir William Price and James B. Duke joined forces to undertake the Ile Maligne project, they realized that they must find purchasers for their power. Even the enormous pulp and paper developments taking place along the Saguenay could not use more than a third of that power, and it was necessary to come where cheap power was to be found.

Mr. Duke succeeded in interesting the Aluminum Company of America in the possibility of establishing a plant for the manufacture of pig aluminum in Quebec. As a result, there has come into being Arvida, the Aluminum City. (The word "Arvida" is a composite from the name ARthur VIning DAvis, president of the company.)

From the time of the commencement of operation of the Aluminum Company of Canada's plant at Arvida, the importance of this growing community in the aluminum world has been well-established. Cheap hydro-electric power is an essential in the production of aluminum. Hence, due to its admirable location in the centre of a region noted for its water power, Arvida will enjoy in the near future the distinction of being the largest aluminum producing centre in the world.

Early Development of Arvida

The site of the City of Arvida, chosen for its proximity to the Chute-à-Caron development, as well as for topographical advantages, lies on the main line of the Canadian National Railways about five miles from Chicoutimi and three miles from Jonquière.

Prior to the arrival of the Aluminum Company of Canada, the entire district was devoted to the farming industry and almost entirely inhabited by French-Canadians. This very fact presented a new problem to the officials of the company, for their plans entailed rapid progress and many substantial changes. Among these, the extent of the completed plant at Arvida would call for a permanent population of 30,000 to 50,000 souls.

Purchased 6,000 Acres

Accordingly, in August, 1925, the Aluminum Company purchased approximately six thousand acres of land for the site of the town and works, while construction started on the works on August 6, 1925, the morning after the first portion of the land had been bought. As the work proceeded, the permanent force of men increased throughout the winter until it had exceeded a thousand in number, while all activity forged ahead under pressure. In spite of the hazardous work throughout the winter, no delay was occasioned, and when spring came the number of employees was increased.

From then on the work on the plant progressed so rapidly that by the beginning of July the first pot-room was ready for operation, while on July 15 the first pot was tapped before a large group of company officials, including Arthur V. Davis, president of the Aluminum Company of America. I mention this because it is significant of almost phenomenal progress in construction, especially when under serious handicaps, for it was not quite one year from the time when the first piece of property was bought that the plant was in operation. Much, however, was to be done yet to complete the first portion of the work, and construction continued throughout the fall and winter of 1926-27, and it was not until the latter part of June, 1927, that the first unit at Arvida was completed, consisting of an aluminum works of four pot-rooms, and an entire carbon works. The purpose of the latter is to furnish carbon electrodes for the "pots" or electric furnaces used in the reduction of the aluminum works.

Must Be Near Power

The manufacture of aluminum requires not only a large amount of electric power, but also close proximity to the source of that power. The Ile Maligne power plant is twenty-five miles away, but the plan is to draw power from Ile Maligne only until such time as the developments at Arvida demand the completion of the famous Chute à Caron project, only two miles distant. Meantime, approximately a third of the power available at Ile Malignè is being used at Arvida in the manufacture of pig aluminum.

At present, the Ile Maligne development is the largest single power plant in the world, having a powerhouse capacity of 540,000 h.p. This power is now virtually all purchased by the Aluminum Company of Canada, Limited at Arvida, The Shawinigan Water & Power Company, Price Bros. & Co. Ltd., at River Bend, Port Alfred Pulp & Paper Corporation at Port Alfred and the Lake St. John Power & Paper Company at Mistassini.

The Development at Chute-à-Caron

Stupendous as was the accomplishment at Ile Maligne, it was felt by the Aluminum Company of Canada, that the power supplied there would not suffice for the total requirements at Arvida. Hence it was necessary to once again draw upon the Saguenay for an amount of power which, when completed would daily generate nearly twice the amount of electricity supplied by Ile Maligne.

After a complete topographical survey had been made of the whole area, it was decided to proceed with the Chute-à-Caron development, situated on the Saguenay just below the head of northwest of Kenogami. This gigantic development is being made by the Alcoa Power Company, a subsidiary of the Aluminum Company of Canada.

At the present time there are about 1500 men working on the excavations of the by-pass canal. It is believed that it will take three years to complete the first stage of this development.

Building a City to Order

The Aluminum Company might have purchased a factory site adjoining one of the local towns, and when its plant was ready, hung out a sign "Men Wanted." There would have been no trouble about securing the men, but real estate values would have advanced to such an extent that rents would have become almost prohibitive. At the outset of its operations, the company realized that it could not leave its workers at the mercy of rent speculators if it was to have a contented and permanent staff, so it did the only thing that could be done under the circumstances—it decided to begin a new town of its own.

A site was selected two miles or so east of Kenogami where farm lands sloped gently down toward the banks of the Saguenay over a distance of more than two miles. A rocky promontory to the south made an ideal site for a city reservoir, and numerous small gullies and ravines would provide the parks and playgrounds of the future.

Handled Problem Well

The company's handling of the housing problem was interesting. It built the first unit of the new town, but it does not intend to build the entire city. No houses in Arvida are for sale to the man who buys to sell again, but any house in the town may be bought at cost by an employee or a person doing legitimate business in the community. The company encourages its workmen to build their own homes by selling to them, at cost prices, cement, brick and lumber. The men are encouraged also to buy their own land. By adopting this policy the company hopes to be able to avoid the responsibility of real estate operations on a large scale, while at the same time achieving its desired end—the elimination of the rent speculator.

The City of Arvida

Upon the purchase of the tract of property by the company, a topographical survey was made of the entire area. This enabled engineers to go ahead on a practical layout for both the town and works. But, in order to keep pace with the rapid progress on the works, it was imperative that a subdivision of the townsite be developed for immediate occupation.

This part of the construction began in the second week of June, 1926, and continued under pressure until January 15, 1927, when 274 houses were completed and ready for occupation. All are frame houses with full concrete basement, together with every facility of modern construction required to satisfy local weather conditions. At the same time water and sewer systems were installed throughout the city, while a reservoir was excavated in solid rock at the southern part of the city having a capacity of approximately 3,500,000 gallons of water, an amount more than sufficient to satisfy the present requirements, should unforeseen circumstances cut off the present supply.

Pleasing Arrangement

The houses have been arranged upon a distinct architectural plan providing for 38 different types of houses, and interspersed so as to lend a pleasant effect to the entire group. One hundred of these houses are the usual Quebec types, with combined living room, dining room and kitchen, with parlor and bedroom on the first floor and three bedrooms and bath on the second floor. The others vary slightly in style and architecture, some having a fireplace or additional floor space, but in all a complete selection designed to satisfy the taste of the average householder.

By the time the houses were completed it was too late in the year to dream of improving the streets or grading around the houses. Last spring, however, these additional conveniences were immediately attended to and at the present time the City of Arvida can boast of 7.1 miles of graveled streets, 8,275 feet of concrete sidewalks. The grading around all the houses was completed last summer, resoiled and a considerable amount of grass has been planted. The landscape schedule this summer included the planting of 800 trees, the majority being elm and maple. While this was a rather extensive program for the time allocated, the landscaping is by no means completed, and plans are now under way for a further program.

Commercial District

Having briefly sketched the development of the residential section of the City of Arvida, we come to that subdivision reserved for the commercial district. Here, in the late fall and winter of 1926-27, the Aluminum Company constructed two large business blocks having a capacity of four large stores each on the first floor and offices and apartments above. These buildings were completed by the early part of the summer. Simultaneously the building lots were cadastred and placed on sale. As a result, three brick store buildings are already erected, as well as two splendid bank buildings. In addition to this, construction is now under way for the erection of a fine large theatre. Building lots are selling rapidly, which augurs a thriving commercial section by the fall of 1928.

Nor has Arvida been backward in the erection of her public utilities. In the latter part of August of last year the new Arvida Hospital was opened. It is a fine one-story brick building with tile facings. The dimensions, 60 feet by 160 feet, are sufficient to provide for all present wants. The real feature of the Arvida hospital is embodied in its ultra modern equipment, for the examining rooms, operating room, and laboratory are absolutely self-contained, placing the Arvida hospital on a par with city hospitals.

Arvida Has Thriving Newspaper of Its Own

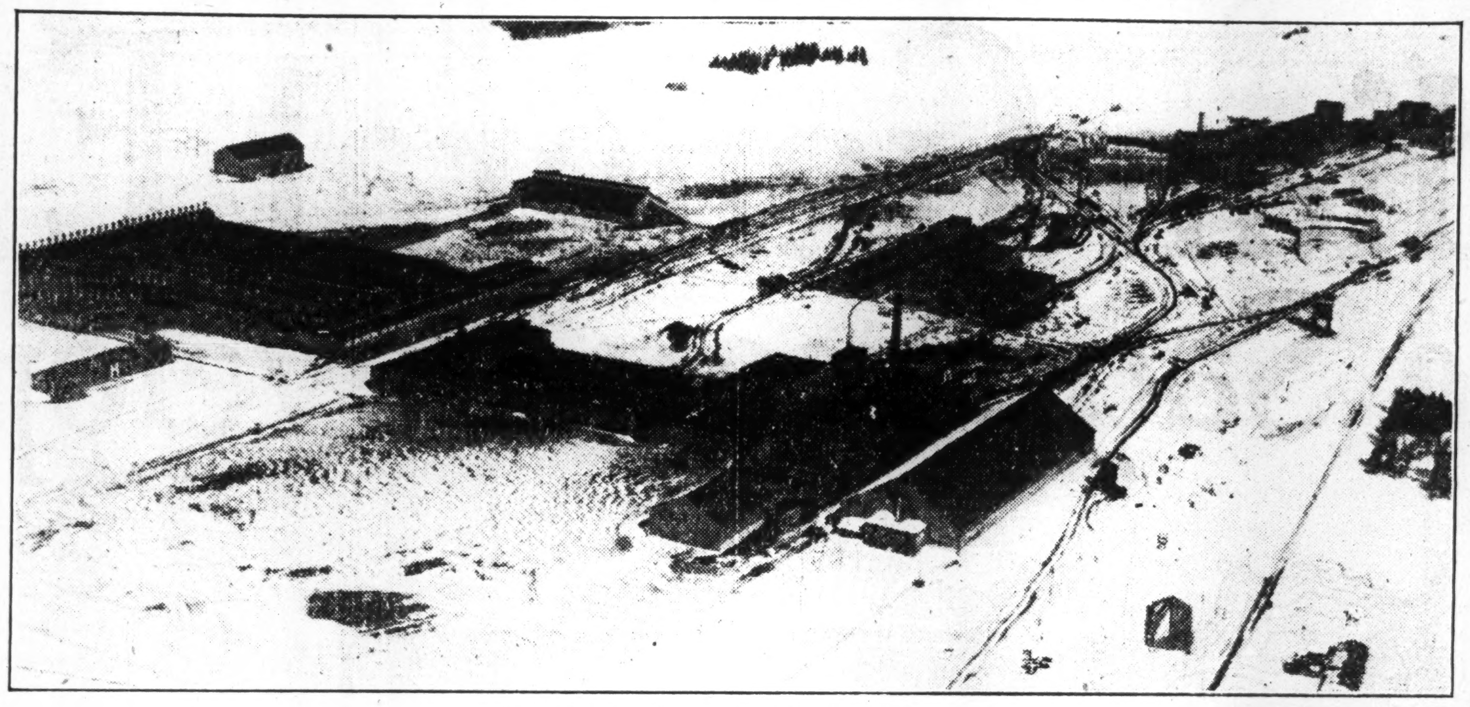
Arvida is one of the few towns which has had a newspaper of its own within a year of its establishment. The town will shortly celebrate the first anniversary of the founding of the Arvidian, its fortnightly periodically.

The interesting little journal was established, by private initiative, but every co-operation has been afforded the town paper by the Aluminum Company as the interests of Arvida, the Aluminum Company and the Arvidian are obviously intimately blended.

Within a year the paper has become firmly established. Within the next few months Kenneth J. McArdle, the managing editor, will make the necessary arangements to publish the paper weekly. By 1929 the town of Arvida will have made the strides necessary to support a weekly publication.

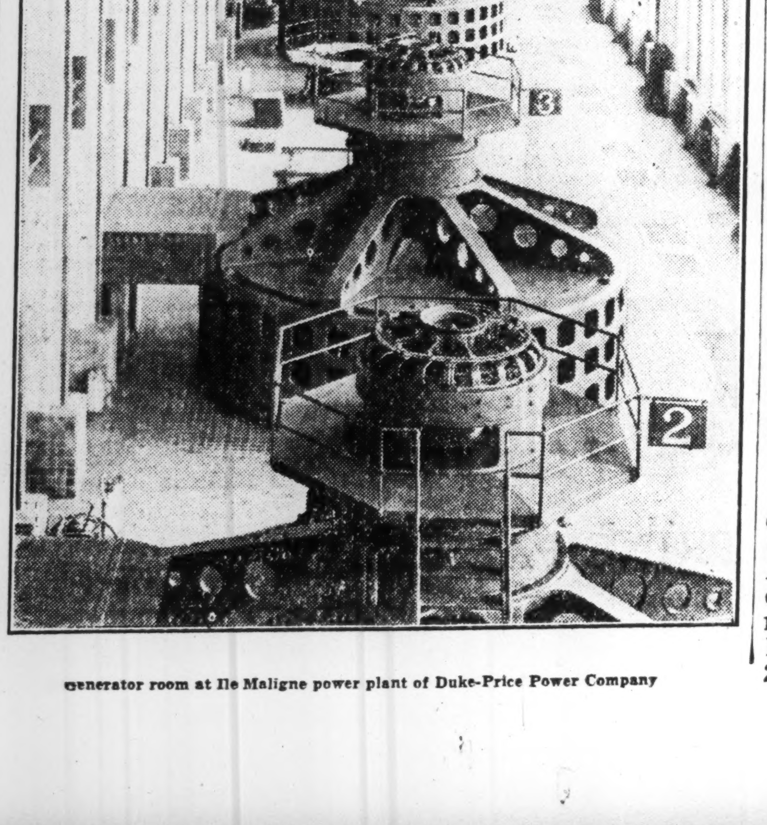
The Arvidian is a bi-lingual publication devoted to sponsoring the needs of a people in a new territory rather than to follow one school of politics. While the paper is bilingual, yet it is the only paper carrying news in English within the radius of 190 miles of Arvida. With the continued growth of the territories served, eventually the Arvidian might go on a daily basis.

Giant Aluminum Works at Arvida



Plant of Aluminum Company of Canada at Arvida, Quebec.

Power for District's Industries



generator room at Ile Maligne power plant of Duke-Price Power Company

DRAINS HUGE AREA

The Saguenay has a drop of 300 feet between Lake St. John and tide-water at Chicoutimi. Into the channel, or group of channels, flow the waters of a great area—35,000 square miles tributary to the lake itself, which is a collecting basin of 375 square miles. The character of its outlet, and that of the tributary waters entering the channel, permits, by proper engineering, the control of these waters.

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Aluminum Co. of Canada Ltd., Arvida.
Ste. Anne Power & Paper Co., Beaupre.
Singer Manufacturing Co., St. John.
Price Bros. & Co. Limited, Jonquiere.
Montreal Cottons Limited, Valleyfield.
Howard Smith Paper Mills, Ltd., Beauharnois.
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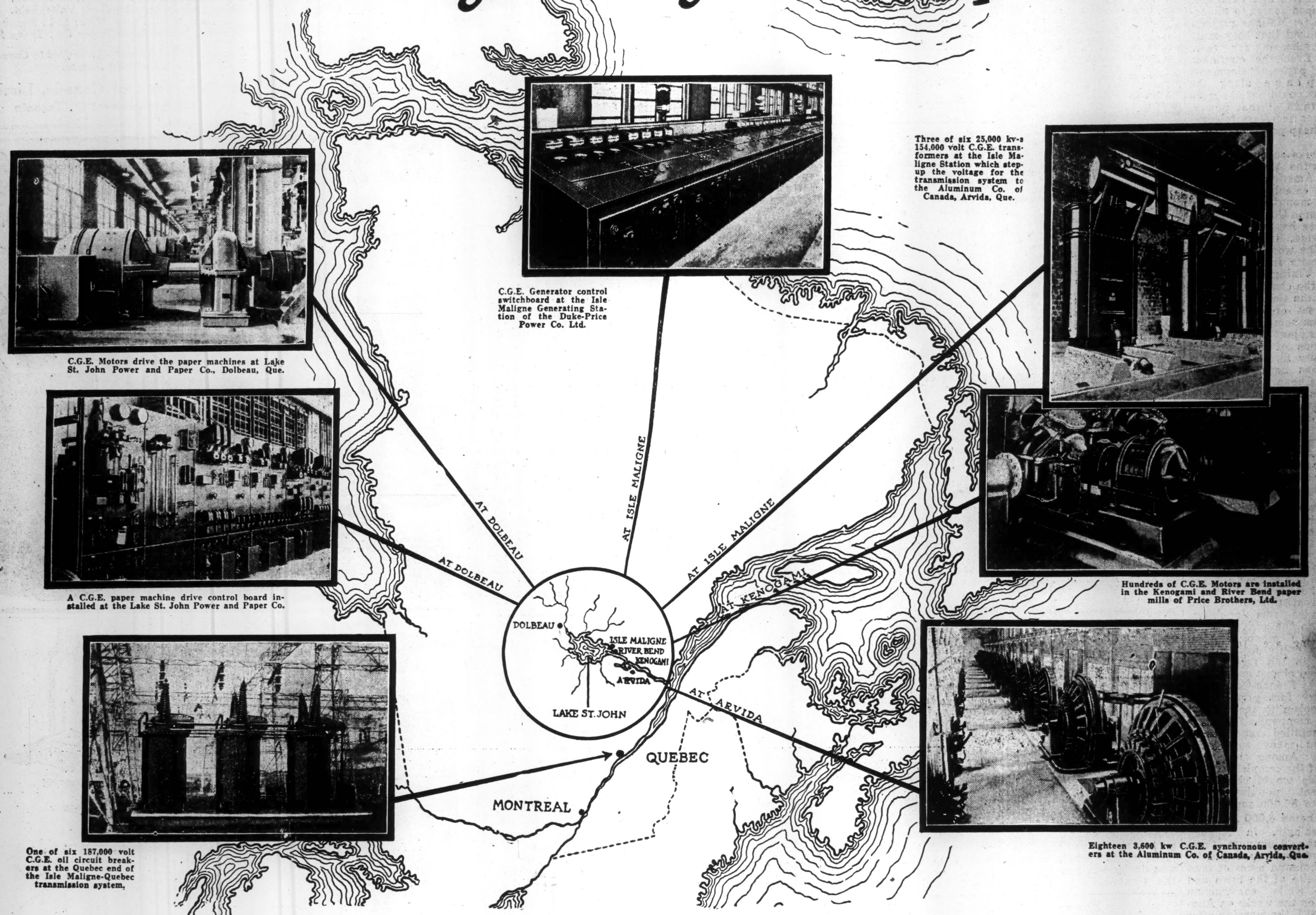
Canadian General Electric in the Saguenay Development



C.G.E. Motors drive the paper machines at Lake St. John Power and Paper Co., Dolbeau, Que.

C.G.E. Generator control switchboard at the Isle Maligne Generating Station of the Duke-Price Power Co. Ltd.

Three of six 25,000 kv-a 154,000 volt C.G.E. transformers at the Isle Maligne Station which step-up the voltage for the transmission system to the Aluminum Co. of Canada, Arvida, Que.

A C.G.E. paper machine drive control board installed at the Lake St. John Power and Paper Co.

Hundreds of C.G.E. Motors are installed in the Kenogami and River Bend paper mills of Price Brothers, Ltd.

One of six 187,000 volt C.G.E. oil circuit breakers at the Quebec end of the Isle Maligne-Quebec transmission system.

Eighteen 3,600 kw C.G.E. synchronous converters at the Aluminum Co. of Canada, Arvida, Que.

CANADIAN GENERAL ELECTRIC has co-operated in the general growth and development of the Saguenay Valley, furnishing electrical equipment for many of its plants.

Pioneer work done by C. G. E. in the electrical expansion of this progressive district included the following equipment:

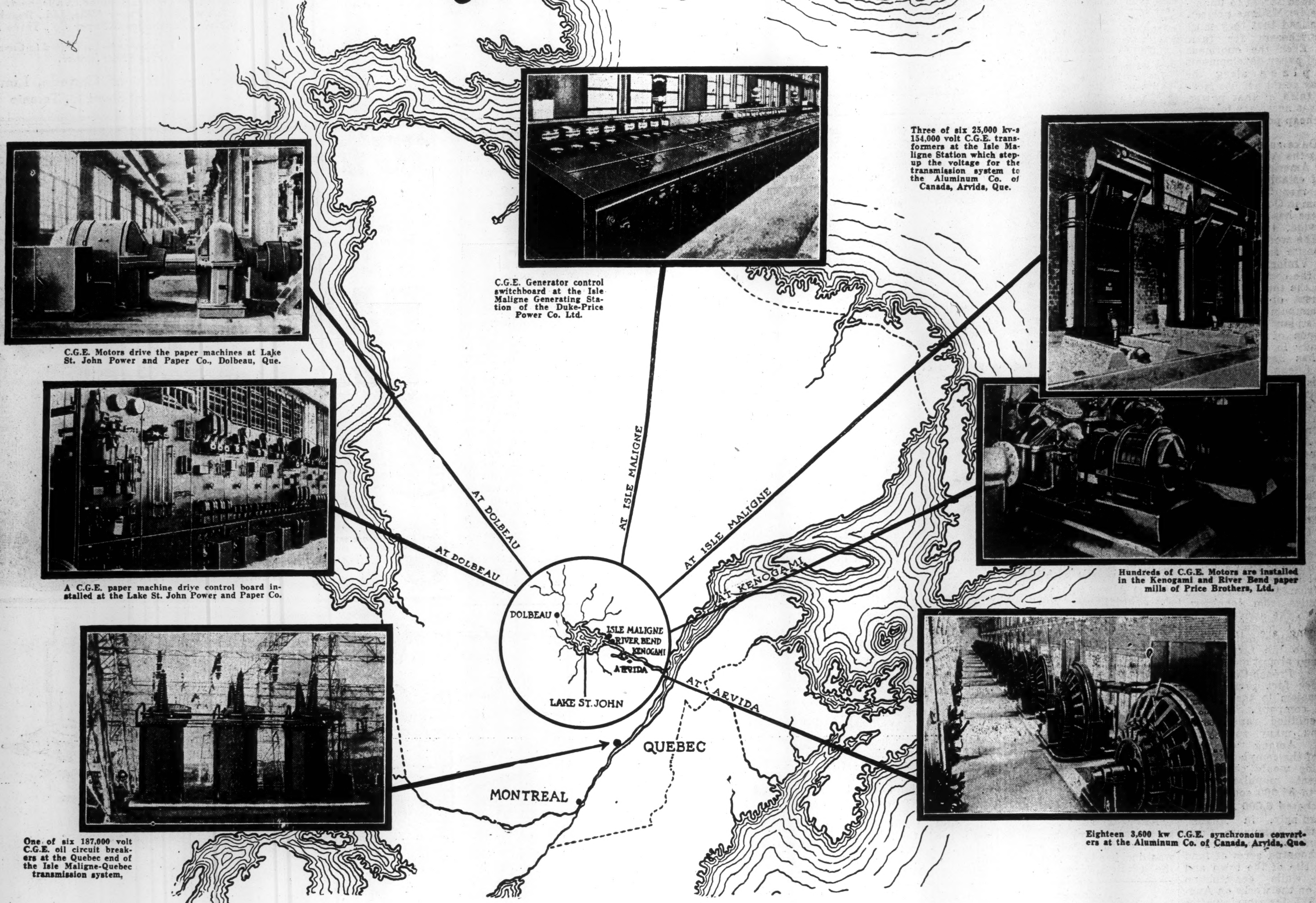
Canada's first 25,000 kv-a-187,000 volt transformers.
    Shawinigan Water and Power Co.
Canada's first 187,000 volt oil circuit breakers.
    Shawinigan Water and Power Co.
Canada's largest synchronous converter installation consisting of eighteen 3,600 kw synchronous converters.
    Aluminum Co. of Canada, Arvida, Quebec.

Canadian General Electric Co. Ltd., is proud of its association with the industries of Quebec and of its part in the electrical development of the Saguenay Valley and vicinity.

CANADIAN GENERAL ELECTRIC Co. Limited

HEAD OFFICE TORONTO, SALES OFFICES IN ALL PRINCIPAL CITIES

Canadian General Electric in the Saguenay Development



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CANADIAN GENERAL ELECTRIC Co. Limited

HEAD OFFICE TORONTO, SALES OFFICES IN ALL PRINCIPAL CITIES

Big Duke-Price Plant Increasing Production

Plant Being Brought Up to Well Nigh Its 540,000 Horsepower Capacity—Assets and Operations of Gigantic Power Plant Described

Lake St. John, situated about one hundred miles north of the City of Quebec, has its outlet in two rivers, the Grand and Little Discharges. At a point nine miles from the lake the Grand Discharge is divided into two channels by a rocky island called Ile Maligne. The Duke-Price Power Company's 540,000 h.p. hydro electric station is built across the left channel of the Grand Discharge between Ile Maligne and the mainland; one mile below this plant the Grand and Little Discharges join to form the Saguenay River, one of the largest tributaries of the St. Lawrence.

The project was undertaken by Mr. Duke and Sir William Price under the name of the Quebec Development Company. When operation began, the plant was taken over by a new organization called The Duke-Price Power Company. It still operates under that name. But two years ago a redisposition of the stock gave the Aluminum Company of America a controlling interest, and made the Shawinigan Power Company a large shareholder, as well as the Duke and Price interests. Shawinigan Power is taking about a third of the available power. The other two-thirds is being used by the Aluminum Company in Arvida, and by the various pulp and paper plants along the Saguenay.

Capacity of Plant

Ten generators are installed and the installation of an eleventh is virtually complete.

The generators each have a full load rating of 30,000 k.v.a. This means that each unit has a capacity of 45,000 h.p. hence the plant's capacity is now 495,000 h.p. The total capacity of the plant when the last unit is installed will be 540,000 h.p.

The contracts which the Ile Maligne Station is at present supplying are, 100,000 horse-power to the Aluminum Company of Canada to operate the plant at Arvida, 100,000 horse-power to Price Brothers & Company for use in the 500 and 200 ton paper mills at Riverbend and Kenogami, and 100,000 horse-power to the Shawinigan Water and Power Company, part of which is transmitted to Quebec and part is used for generating steam at Port Alfred. Apart from these three major contracts the company furnishes 30,000 horse-power to the Port Alfred Pulp and Paper Corp., for the operation of the 400 ton newsprint mill at Port Alfred and 20,000 horse power to the Lake St. John Power and Paper Company at Dolbeau to supply motive power for the recently completed newsprint mill of 200 ton daily capacity, located on the north side of Lake St. John.

Contracts Outlined

These contracts together with a certain amount of excess power supplied to the three main customers for steam and motive power loads of 350 horse-power and 1,500 horse-power respectively supplied to the town of St. Joseph d'Alma and the Saguenay Electric Company, constitute the load carried by Ile Maligne Station. The loads taken by the customers are steady and vary but little during the working week. The manufacture of aluminum being a continuous process the Aluminum Company takes power under a monthly load factor of 97%. The paper mill loads are also very steady during the day, having a daily load factor of about 88%. This factor drops off when taken for a whole month as the paper mills shut down over Sunday, and sometimes part of Saturday, depending on the paper market conditions.

With the exception of the Price Brothers and Shawinigan contracts the power is transmitted from the generating station to destination by the Saguenay Transmission Company, a Duke-Price subsidiary, which owns and operates 75 miles of steel tower lines, 25 miles of low voltage wood pole lines and several sub-stations. Its most important system consists of 154 K.V. transmission line extending from Ile Maligne to Port Alfred a distance of 40 miles.

The Saguenay Electric Company distributes in fourteen cities and villages in the Lake St. John district including Chicoutimi and Arvida and at present is selling Ile Maligne power to operate a 45 ton sulphite paper mill near Lake St. John. Their distribution systems are not all tied in to Ile Maligne as yet, many of the systems they have acquired are fed by their own independent generating stations. The largest of these is the Chute à Garneau plant, of 3,500 horsepower capacity, located in the Chicoutimi River and which generates power for distribution in Chicoutimi.

REGION HAS ITS BIG GROUNDWOOD PULP PRODUCER

Quebec Pulp and Paper Corporation Has Capacity of 500 Tons Daily

Virtually the entire pulp and paper production of the Saguenay region comes from three companies, the Lake St. John Power and Paper Company, the Port Alfred Pulp and Paper Mills, and Price Brothers and Company. In addition, though, there is the Quebec Pulp and Paper Mills Corporation. This company is controlled jointly by Port Alfred and Price Brothers.

The Quebec Pulp and Paper Mills came into being as a result of the amalgamation of the old Saguenay Power and Paper Company and the Chicoutimi Pulp Company. These two organizations were amalgamated by the bondholders who formed a new company of which later Price Brothers and Port Alfred acquired control.

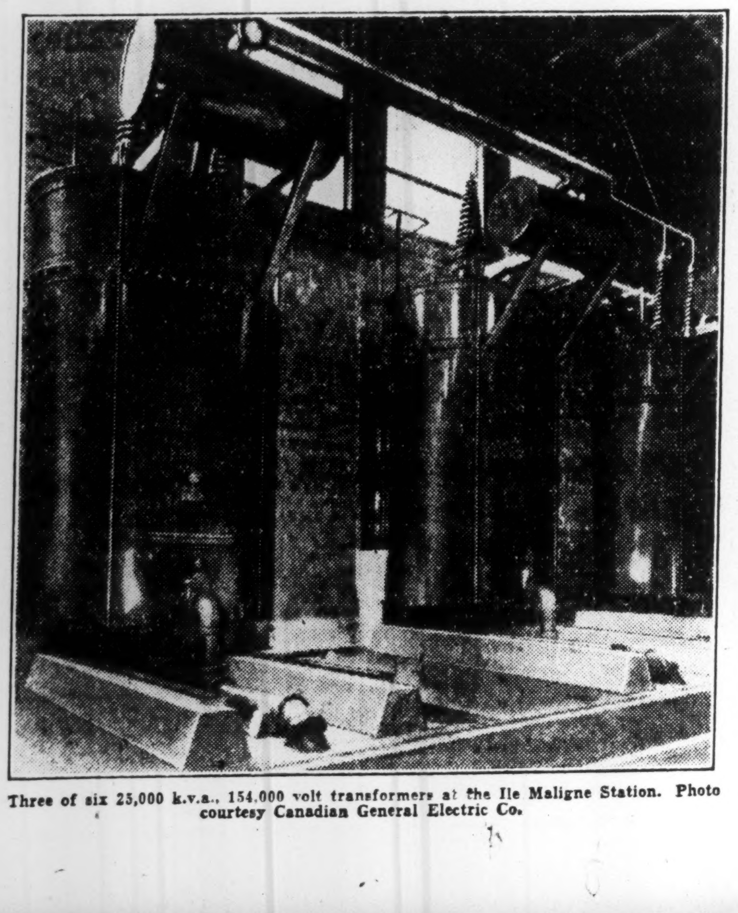
Has Three Pulp Mills

The properties include three groundwood pulp mills, two at Chicoutimi and one at Val Jalbert, Que. The mills have a combined daily rated capacity of 500 tons of groundwood pulp. The company's timber limits contain over 5,000,000 cords of pulpwood on freehold and leasehold limits and are well located on the Saguenay and Peribonka watersheds. This subsidiary company's water power sites have a potential capacity of 53,000 horsepower of which 36,000 horsepower is developed.

May Be Newsprint

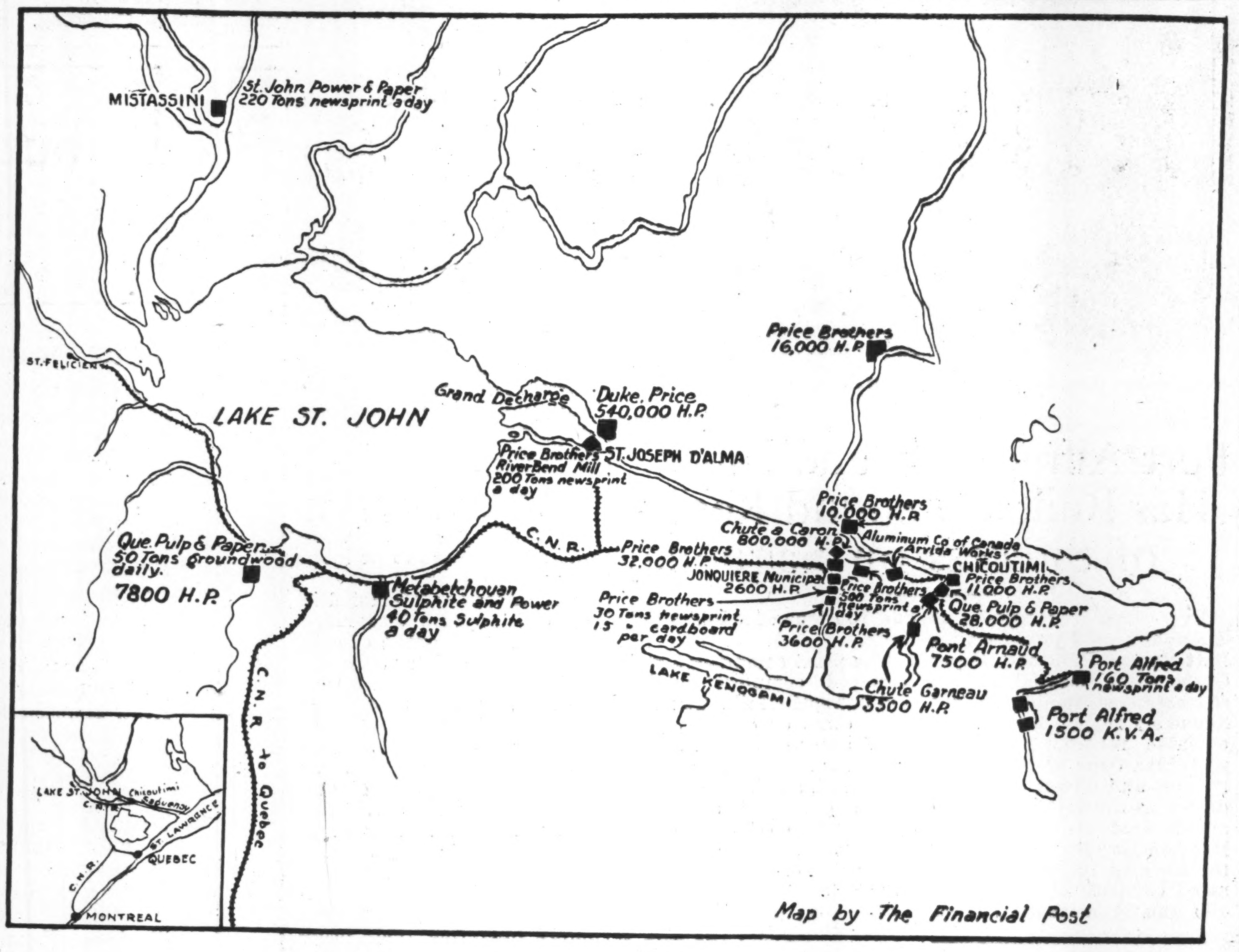
Ultimately, of course, the Quebec Pulp and Paper Mills may be turned into a newsprint project, but it will be some time before such a development is undertaken as the capacities of the newsprint mills on this continent are well in excess of the demand for newsprint. When the demand for newsprint warrants such a step, the subsidiary company's groundwood pulp production, together with the surplus sulphite pulp production of the Port Alfred Pulp and Paper Corporation, affords a basis for a newsprint development of 500 tons a day, which could be completed at a low capital cost.

Six of These Transformers



Three of six 25,000 k.v.a., 154,000 volt transformers at the Ile Maligne Station. Photo courtesy Canadian General Electric Co.

Paper and Power Dominate in Rich New Territory


MISTASSINI
St. John Power & Paper 220 Tons newsprint a day
ST. FELICIEN
LAKE ST. JOHN
Grand Decharge
Duke. Price 540,000 H.P.
ST. JOSEPH D'ALMA
Price Brothers RiverBend Mill 200 Tons newsprint a day
Price Brothers 16,000 H.P.
Que. Pulp & Paper 50 Tons Groundwood daily. 7800 H.P.
C.N.R.
Metabetchouan Sulphite and Power 40 Tons Sulphite a day
C.N.R. to Quebec
Price Brothers 32,000 H.P.
Price Brothers 10,000 H.P.
Chute a Caron 800,000 H.P.
Aluminum Co of Canada Arvida Works
CHICOUTIMI
Price Brothers 11,000 H.P.
JONQUIERE Municipal 2600 H.P.
Price Brothers 500 Tons newsprint a day
Que. Pulp & Paper 28,000 H.P.
Price Brothers 30 Tons newsprint 15 " cardboard per day
Price Brothers 3600 H.P.
Pont Arnaud 7500 H.P.
LAKE KENOGAMI
Chute Garneau 3500 H.P.
Port Alfred 160 Tons newsprint a day
Port Alfred 1500 K.V.A.
LAKE ST. JOHN
Chicoutimi
Saguenay
C.N.R.
ST. LAWRENCE
QUEBEC
MONTREAL
Map by The Financial Post

Map shows location of pulp, paper and power plants in Saguenay-Lake St. John area.

New Rail Line Will Open Up Saguenay Area Still Further

Actual construction work has begun on the new Quebec, Saguenay and Chibougamau Rly. which will serve the prosperous Lake St. John and Saguenay area. When the first division of the road is completed, the Q. S. & C. together with the C. N. R. will encircle Lake St. John. The first division will operate between Hebertville and Dolbeau on the northeast side of the lake. The C.N.R. now connects these two points with its line on the southwest side of the lake.

Eventually it is intended to extend the new railway further to connect Chibougamau with Chicoutimi. The group behind the new railway project are also very largely interested in the Chibougamau-Dore mining district. The promise which the new line holds of opening up this promising mining area is one of the chief features of interest in the industrial expansion of the Saguenay region.

Chibougamau-Dore is situated almost due north of Montreal, to the north of, and about half way between Rouyn and Lake St. John.

Controlled by British

The new Quebec, Saguenay and Chibougamau Railway is controlled by the strong British group which became interested in northern Quebec several years ago. The syndicate is headed by the Rt. Hon. Lord Gainford, who is also president of the new railway company.

In addition, several prominent Canadians are also interested in the undertaking. The following Canadians are included on the board of the new railway company: Adelard Turgeon, William Phillips, Hon. G. P. Amyot, Henri Bray, Hon. P. J. Paradis and C. E. Taschereau.

Work has already begun on construction and satisfactory financing arrangements have been completed. The C. N. R. is to supervise the construction of the line and has a satisfactory operating agreement with Q. S. and C. Railway. Sir Henry Thornton is vice-president of the new road.

Built in Three Sections

The new railway is to be built in three legs, to use a sea-faring term. The first leg will consist of the Saguenay and Lake St. John division where the road will run from Dolbeau to Hebertville. This section will provide railway service around the northern and easterly sections of Lake St. John. At the present time, only the southern and westerly sections of the lake are served by the C. N. R. The immediate objective of the new company is to serve the requirements of the Lake St. John district by pushing construction on that portion of the line from Hebertville to Dolbeau—a distance of 60 miles. In the Lake St. John-Saguenay district there is a total population of some 70,000. The territory through which the line will run is entirely agricultural. Its annual production is immense; in addition to the agricultural area surrounding the lake there lies gigantic water power and timber resources.

To Receive Subsidy

The company has already received a government subsidy which amounts to $5,000 a mile for this section of the line. The next leg of the road is the Chibougamau division which will run from Dolbeau to the Chibougamau-Dore mining district, approximately 167 miles. Lastly, there is the Quebec division which probably will rot be undertaken for many years; it would run from Chicoutimi due south to Quebec. Ultimately, the Saguenay and Lake St. John division of the road is to be extended from Hebertville down the east bank of the Saguenay to Chicoutimi, a distance of 40 miles.

Power Site is Named After Hardy Pioneer

But a few years more and one of Canada's beauty spots will be gone forever. Industry no doubt will have left a momument to replace the acquisition but can a power plant of human engineering ever make up for the loss of the glorious "Chute-à-Caron?"

As well known to-day as it was unknown a few months ago "Chute-à-Caron," chosen for the site of the 800,000 h.p. development of the Alcoa Power Company, on the Saguenay, seems destined to fame.

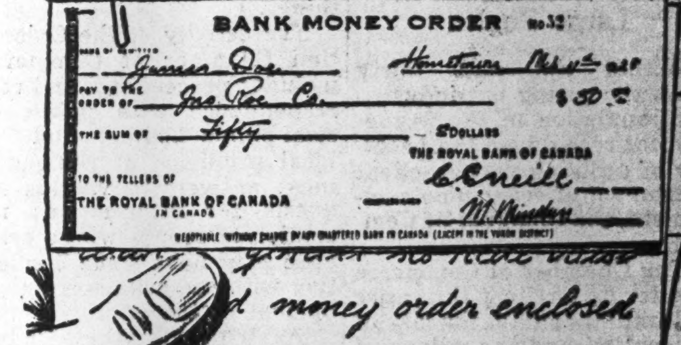
What was its origin? The explanation is simple, the spot having derived its name from one of the humble and sturdy pioneers of the earlier days of the Saguenay, the late Michael Caron, whom many of the older generation in the territory still remember.

Michael Caron was a foreman in the employ of the Price Company in Chicoutimi. On September 19, 1863, he purchased from the Department of Crown Lands in Quebec, Lot No. 24 of Range A, in the Township of Simard. Later he acquired the adjoining lot No. 25, which had been granted to the Hon. David E. Price in 1863, farmed it for some years, and in 1890, ceded his holdings to Basil Villeneuve.

These lots are on the north shore of the Saguenay River, at the foot of the falls. Now opposite this very place, there is a fishing hole to delight an Izaak Walton. Father François Maltais, who lived near the River Shipshaw, often came to fish at this spot which he called "Caron's Whirlpool." Eugene Caron's farm hands spoke of "Caron's Pool," "Caron's Island" and later Villeneuve and the inhabitants of the neighborhood mentioned the place in the same way. The name came at length to be applied to the falls itself. The government surveyors and engineers learned to refer to it by that name and through them, "Chute-à-Caron" appeared on official documents.

More Labor for Harvest

Fifteen hundred men will be needed in Southern Alberta in addition to those available in the district for the harvesting of the 1928 crop. Some reduction over the 1927 estimate is due to the more general use of combines. Cutting is expected to begin about the middle of August.



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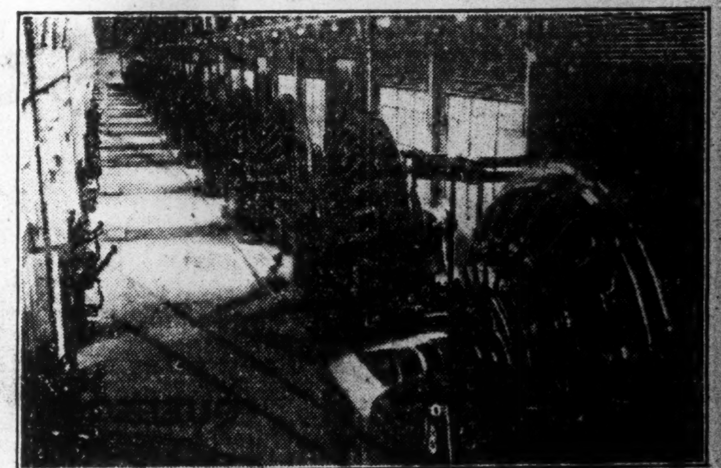
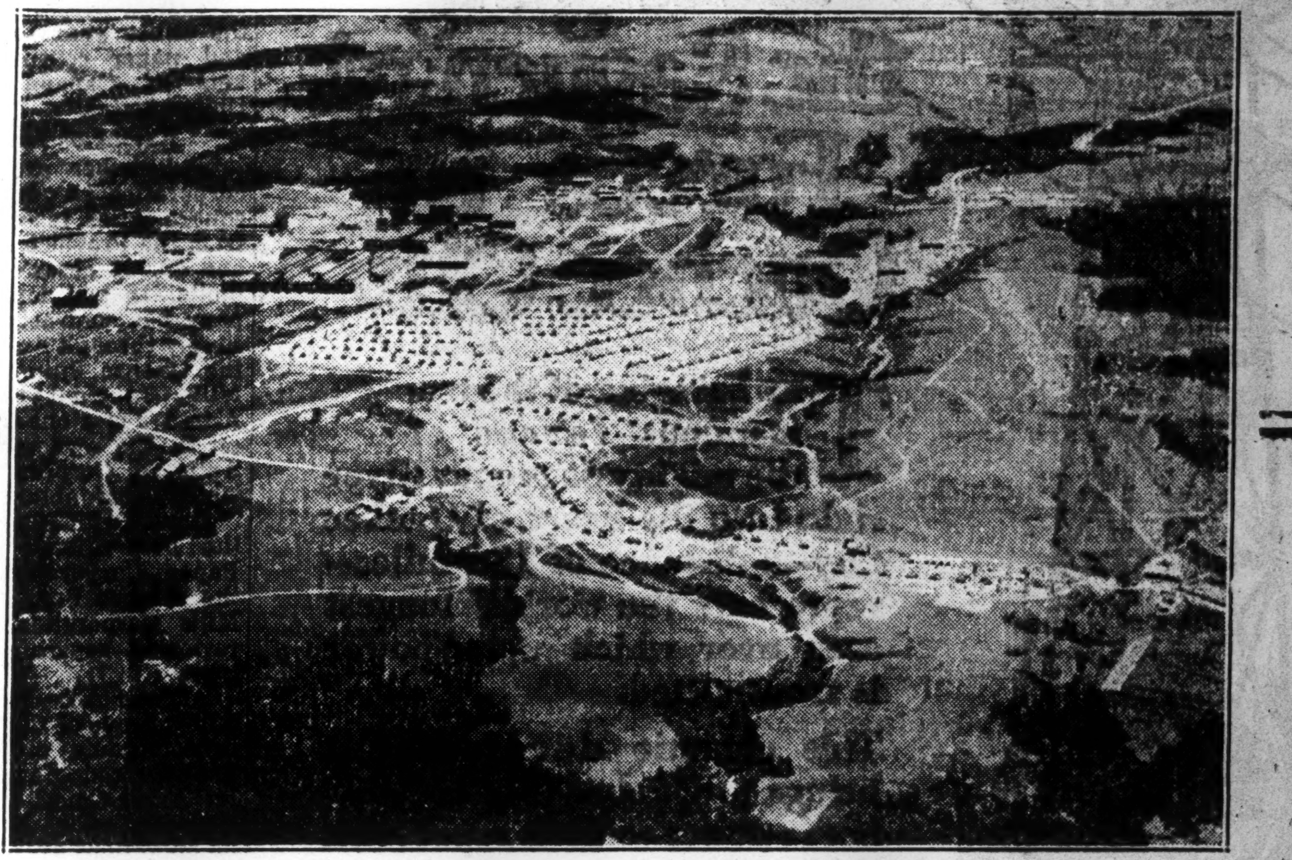
G818

Chicoutimi Branch—R. Babineau, Manager.
Branches also at Arvida, Port Alfred and Kenogami.

Eighteen Big Converters



Eighteen 3,600 k.w. synchronous converters are used in the manufacture of aluminum at the Aluminum Co. of Canada, Arvida, P. Q.



"PAINT HEADQUARTERS" in Thriving Arvida

THIS bird's eye view of Arvida will give you a very fine idea of the tremendous headway the Aluminum Co. of Canada, Limited, have made in the course of the last three years.

Arvida's modern houses stand out in direct contrast to the surrounding country, and a tour through the streets of this town will reveal well painted homes in beautiful harmonizing colors — Homes made safe from the elements — Homes painted with Sherwin-Williams' products, both inside and out.

It is only fitting that The Sherwin-Williams Co. of Canada, Limited, have established "Paint Headquarters" in Arvida with The Saguenay Hardware Co., Limited. This modern hardware store carries a complete line of the famous Sherwin-Williams' products.

COVER THE EARTH

FOR BEST RESULTS USE

SHERWIN-WILLIAMS
PAINTS VARNISHES & LACQUERS

ACTIVE CHAMBER OF COMMERCE IS AT CHICOUTIMI

Chamber Responsible for Many Betterments in Large Region

Within the past thirty years the young but industrious population of the Saguenay has recognized the necessity of utilizing that excellent instrument of economic development, the Chamber of Commerce.

The Chamber of Commerce has, for its territory the entire Chicoutimi county, the city of Chicoutimi and the village of Rivière du Moulin. It has a regular membership of sixty, with an executive body of thirteen (evidently Saguenay business men are not superstitious). These members are chosen from among those in business in the region because they are considered progressive, farseeing and are willing to make sacrifices for the common good of the district. Lawyers, industrial executives, merchants, engineers and farmers are all among the number so that the needs of all may receive due attention.

The Chamber of Commerce of Chicoutimi has the complete confidence of the public. That does not mean that it has the general co-operation which would be needed to accomplish all that it proposes, for, here as anywhere else, one must face apathy even from the best citizens. Be that as it may, the present Chicoutimi Chamber of Commerce, founded September 23, 1921, has had sufficient vitality to accomplish many things.

The activity of the Chicoutimi Chamber of Commerce include: proceedings and correspondence with public or semi-public bodies; study of local problems at the meetings; answers to various requests for information; reception of groups whose presence may have some connection with the economic development of the city.

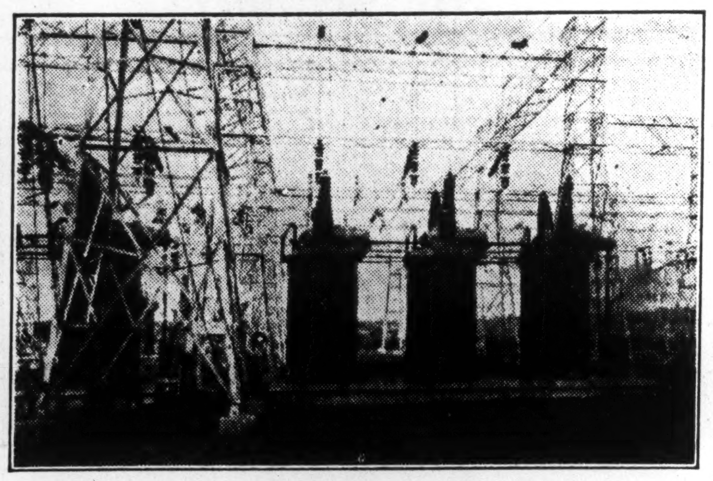
As with all other Chambers of Commerce, the Chicoutimi one has belied its name, by interesting itself not only in commerce, but in all that concerns the economic development of the area.

Sponsors Improvements

The numbering the doors in the town originated at the Chamber of Commerce, an improvement which has been greatly appreciated. It sponsored the publication of a Directory of Chicoutimi, a publicity factor which has been of advantage to the region.

For two years, the Chicoutimi Chamber of Commerce has been strongly urging public corporations and citizens to beautify the district before a Quebec-Saguenay motor road brings a multitude of tourists.

187,000 Volts is Rating



One of six huge 187,000 volt Oil Circuit Breakers at the Quebec end of the Quebec-Ile Maligne Transmission System.

Port Alfred Pulp and Paper Has Built Up Sound Record of Success on Saguenay

Ever since its inception as a sulphite pulp producer, the Port Alfred Pulp and Paper Corporation, located at the southernmost point of the Saguenay region, has had an enviable record. The company has done well through the ups and downs of the industry as a whole. The mills are located at Port Alfred, P.Q., on Ha! Ha! Bay, beside the town of Bagotville. The rated capacity of the mill is 400 tons of newsprint paper and 150 tons of sulphite pulp daily.

The plant comprises a well-balanced complete sulphite and newsprint mill. The company owns or controls pulpwood areas estimated to contain over 20,000,000 cords of pulpwood, sufficient virtually for a perpetual supply of pulpwood to capacity operations. Through the control of waterpowers and by the favorable contract which it holds with the Duke-Price Power Company, the mill is assured of adequate power supply at low cost.

Excellent Equipment

The equipment at the mill includes four newsprint machines of the latest design with their complete complementary equipment. All the properties are thoroughly modern, as the construction of the newsprint mill was completed only about two years ago. The mill is located on tidewater, on the Saguenay, which permits the loading and unloading of ocean vessels during seven months of the year. Hence, the corporation secures the economies available by shipping by water its outgoing finished products and incoming raw material. The corporation, through the Robertville and Saguenay Railway, has, of course, access throughout the entire year to the pulp and paper consuming markets of Canada and the United States.

Extent of Lumber

The timber areas of the corporation include 2,400 square miles leased directly from the Province of Quebec, and 49,000 acres of freehold limits. In addition, the company has contracts for wood supply through its subsidiary, the Quebec Pulp and Paper Mills. In addition, Port Alfred has a one-third interest in the ownership of the Anticosti Corporation, from which it can obtain wood.

Jointly with Price Brothers, the Port Alfred Pulp and Paper Corporation controls the Quebec Pulp and Paper Mills Corporation, which is reviewed separately in this issue.

As Port Alfred's newsprint mill was one of the later mills to come into production, it has operated at a capacity below that of most of the other Canadian mills. During 1927 its operations averaged about 60 per cent. capacity, but despite this handicap the mill was able to make satisfactory profits. The satisfactory earning power position occupied by the company is explained by the efficiency of its management, the sound design of the plant and the excellent location of the mill.

The directing genius of the Port Alfred Pulp and Paper Corporation is George M. McKee. He has been associated with the Canadian pulp and paper industry since 1912 and has built up a reputation ever since he organized and took hold of the Donnacona Paper Company, which was noted for its low cost production.

Largest Transformers Are at Duke-Price

Canada's largest and highest voltage transformers actually in operation are installed at the Ile Maligne generating station of the Duke-Price Power Co.

These 25,000 k.v.a. transformers, four in number, were supplied by Canadian General Electric to the Shawinigan Water and Power Co. about the middle of last year.

They are used to step-up the voltage of the Ile Maligne generators from 13,200 volts to 187,000 volts for the transmission system to supply power to Port Alfred and to Quebec City. Each of these transformers occupies 13 feet 6 inches by 11 feet 8 inches floor space and are 23 feet 10 inches in height.

CHIBOUGAMAU AREA PROMISES FUTURE GROWTH

Many Companies in Field Located Northwest of Lake St. John

Pessimists who consider that Rouyn is Quebec's only hope as a mining province are in error. Latest reports state that over a thousand people moved out of the town of Rouyn last month; this is but the preparation for a general move in another direction.

Geologists and prospectors state that the ore field of Chibougamau, which has been subjected to a series of mining investigations of a quieter nature for the past few years, is far wider than the famed Rouyn while surface indications from assessment work determine the ore to be more than promising.

Organizations interested in this district have discovered already a good grade of gold quartz, some high-grade silver, cobalt bloom, copper, tin, lead, zinc, asbestos. The Consolidated Mining and Smelting Company has held claims in this region for some time and the general feeling is that these interests, along with the several other property owners in the district, are only awaiting the completion of the Quebec, Saguenay and Chibougamau Rly., before operating their properties.

While preliminary assays have been made on the majority of the claims, there seems to have been a lull in the activities in the past few months, in anticipation of the extension of the new railway into the new mining field.

For the past eight years the Blake Mining Syndicate, composed almost entirely of English capitalists, have been operating in the locality. Their investigations have been under the personal direction of mining experts from London, New York and Montreal. The engineers state that they have uncovered high-grade ores and are well satisfied with the results so far. While operations there have not advanced enough to point to any property, the general results obtained up to the present are more than encouraging.

The Northern Investment and Mining Company, of which J. F. Grenon, chief engineer of the Quebec, Saguenay and Chibougamau Railway, is one of the chief organizers, has recently began mining exploration in the C bougamau territory. A nu ber of other companies ar actively engaged in explorin their holdings in the field.

Contributing to The Industrial Expansion of the Saguenay District

Your Job Next!

Our record of recent electrical installation achievement is your guarantee of our being able to carry your job through to a thorough and successful finish—

Royal Bank Building, Montreal
Royal York Hotel, Toronto
Château Laurier, Ottawa
International Paper Co., Gatineau
Can. National Express Bldg., Toronto
Robt. Simpson Dept. Store, Toronto
Spruce Falls Power and Paper Co., Kapuskasing, Ont.
Manitoba Paper Co., Pine Falls, Manitoba
Nova Scotia Public Cold Storage and Terminals Ltd., Halifax
St. Annes Paper Company, Beaupré, Que.
Union Station, Toronto

COMSTOCK COMPANY LIMITED

Through its reliable installation of the electrical construction in the

Port Alfred Pulp and Paper Co.
Port Alfred, Que.
Lake St. John Power & Paper Co.
Dolbeau, Quebec

Canadian Comstock Company Limited has played an important part in the expansion and efficiency of industry in the Saguenay district.

During the past five years this organization has had the majority of the important electrical installation contracts in Canada—equipping us by experience and highly-trained technical efficiency to handle any electrical installation job.

Canadian Comstock Company Limited is an all-Canadian organization backed by Canadian capital, Canadian personnel, Canadian experience and demonstrated Canadian achievement.

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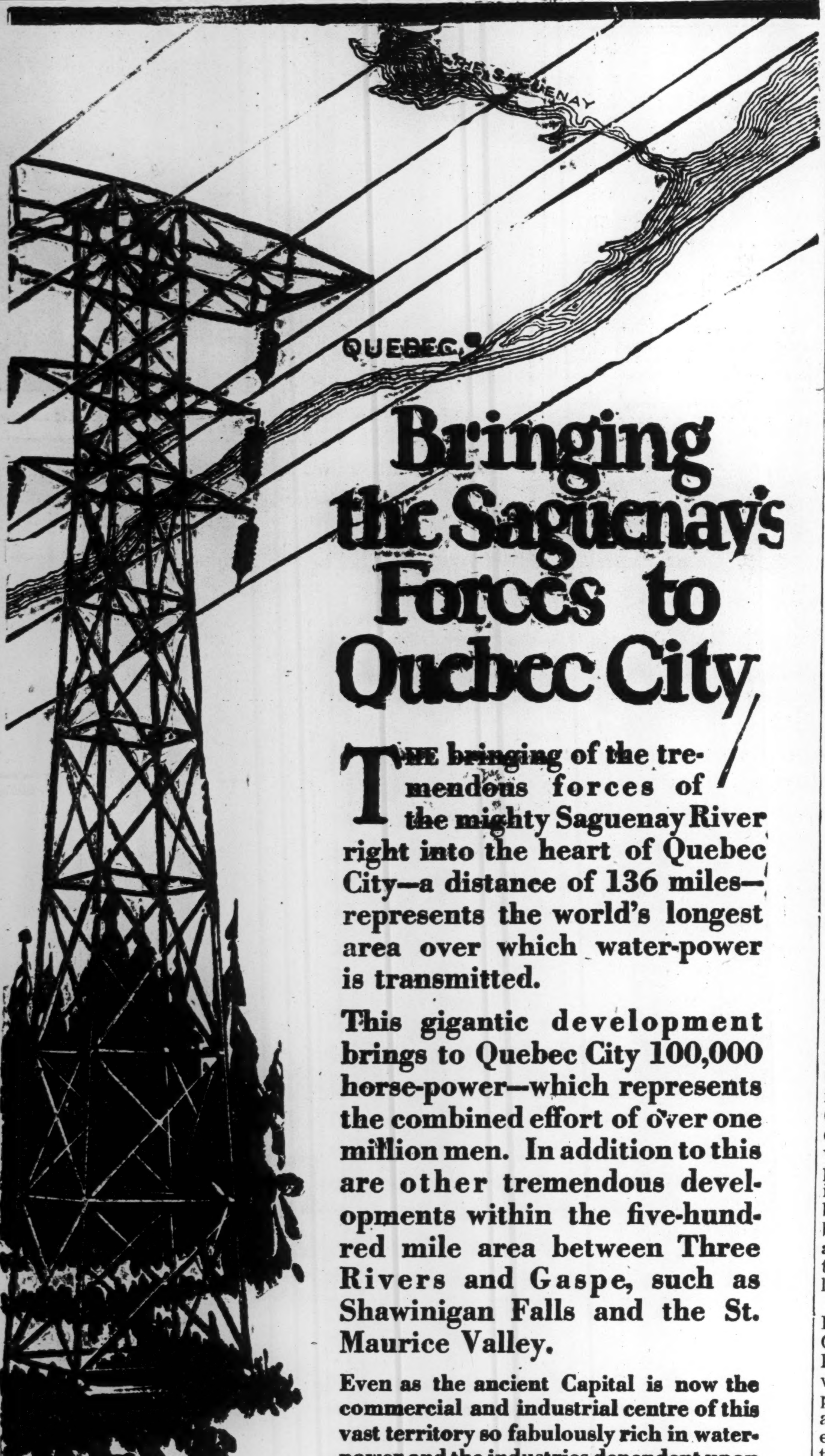

Bringing the Saguenay's Forces to Quebec City

The bringing of the tremendous forces of the mighty Saguenay River right into the heart of Quebec City—a distance of 136 miles—represents the world's longest area over which water-power is transmitted.

This gigantic development brings to Quebec City 100,000 horse-power—which represents the combined effort of over one million men. In addition to this are other tremendous developments within the five-hundred mile area between Three Rivers and Gaspe, such as Shawinigan Falls and the St. Maurice Valley.

Even as the ancient Capital is now the commercial and industrial centre of this vast territory so fabulously rich in water-power and the industries dependent upon it, so is Quebec's only English daily—

Chronicle-Telegraph
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the advertising medium you must use in any campaign covering this territory. It reaches those who control the buying power within its radius—executives, financiers, engineers, purchasing agents—and introduces the products of national advertisers to them. The Chronicle-Telegraph is alone in its field. Its influence is unchallenged.

Any advertising agency will give you rates, or write to
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Regular Service with Cabin Monoplanes to Chibougamau from Oscalaneo, Que. Special Rates for flights from Montreal, Quebec or Roberval. Comfort, Safety, Speed. Lowest Rates.

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FA

ARVIDA ALUMINUM INDUSTRY LARGEST NOW IN OPERATION

Demand For Metal Creates Huge Enterprise at Chicoutimi

USE IS WIDESPREAD

Intricate Processes of Manufacture Dependent Upon Ample Supply of Cheap Power

A scientific curiosity half a century ago, to-day only iron, copper, lead and zinc rank above aluminum in volume of production, while in actual utility for modern needs it is in a class by itself. One cannot imagine an aeroplane, a dirigible, or an automobile without it.

When first produced, aluminum was considered one of the rare metals, costing $545 per lb. The present cost is but a few cents a pound. The invention of the electrolytic process in the reduction of the ore, by Charles Martin Hall, together with the factor of quantity production, has made this possible.

The use of aluminum has grown from practically nothing, in 1880, to a total of approximately 500,000 tons per year at the present time. The remarkable increase in the popularity of this light metal can be attributed to its adaptability to innumerable fabricated products in common household and industrial application.

Reduction Process

In the reduction of aluminum from its ore, called bauxite, as in all electro-metallurgical processes, one of the prime requisites is a supply of first quality carbon electrodes. The function of these electrodes is to carry the current into the furnace. Due to the high temperature in such furnaces, carbon is the only material which has been found suitable for this purpose.

These electrodes must combine good mechanical strength with a high electrical conductivity and must be free as possible from impurities, since such would eventually find their way into the aluminum in the reduction furnace.

It is interesting to note that carbon does not melt at any temperature. At the temperature of the electric arc, it volatizes — that is, passes directly from the solid to the gaseous state without passing through an intermediate liquid form.

The Aluminum Company of Canada, Limited, in order to insure a dependable supply of such electrodes, maintains a carbon plant at Arvida. This carbon plant not only supplies the Arvida plant with electrodes, but the Shawinigan Falls plant as well.

Coke Basic Material

One of the basic materials used in the manufacture of electrodes for aluminum reduction is petroleum coke. Crude petroleum is subjected to a process of distillation, yielding in turn gasoline, kerosene, lubricating oils, paraffin, etc., and finally, as a residue, petroleum, coke. In the distillation process all the volatile oils and tars are not completely driven out, and these must be expelled from the coke before it is suitable for electrode manufacture.

The petroleum coke at Arvida is shipped from Texas in boats during the summer months and kept in a huge coke storage building. It is drawn from the storage building by a conveyor belt to the calciner building. Here it undergoes a preliminary crushing and is then placed in electric furnaces and heated to a bright red heat. This drives off the remaining tars and oils mentioned above. The coke, thus calcined, is then transferred to the grinder building by a conveyor belt, where it is ground to a fine dust.

A second constituent of the carbon electrode is pitch. This is used merely as a binder. When bituminous coal is distilled in closed retorts, it yields what is commercially known as a coal gas and metallurgical coke. The coal gas thus formed contains tar and other derivatives which are washed out of the gas. The tar, when distilled, yields many wonderful organic compounds which form the basis of practically all important dyes, many explosives, and numerous drugs and perfumes. The residue from this distillation is pitch.

A third constituent used at this time is carbon butts. These are partially burned or used electrodes returned from the pot-rooms to the grinder building where they are reground and mixed with the above constituents for use again.

Mixing and Baking

The finely-ground calcined coke, together with a certain percentage of reclaimed butts and pitch, are mixed in a mixer and the resultant plastic mass is molded at high pressure into electrodes of the desired form and size. The electrodes at this stage are known as green carbons and must be baked to a bright red heat in order to give them the hardness, mechanical strength and physical properties necessary for their successful use in the pots.

They are loaded into electric baking furnaces and packed in place with finely-ground coke dust or packing material, as it is called. This packing is necessary, as the carbon, when first heated, is soft and remains so until part of its pitch binder is driven off.

When the baking is complete and the furnaces sufficiently cool, the carbons are unloaded, cleaned of the adhering packing material and stocked, ready to be fitted with metal hangers and used in the aluminum reduction pots.

The consumption of carbon in the pots is somewhat less than a pound of carbon per pound of aluminum produced. Consequently, the cost of production of aluminum to a considerable extent depends on the quality of the electrodes supplied.

In order to insure that the electrodes shall have the necessary physical and chemical properties, an elaborate system of testing, sampling) and analysing is maintained at Arvida, so that the various factors which determine the quality of the finished carbon are controlled very carefully.

Heart of Plant

The pot-rooms are the heart of the plant. Here the metal is actually made. The pots are steel shells lined with carbon, containing the bath of molten cryolite. Ore, mined in British Guiana and purified at the ore plant at Arvida, is dissolved in this bath while a heavy direct current enters it through the carbon electrodes. In passing through, it decomposes the ore into aluminum and oxygen, the aluminum collecting in a molten condition in the bottom of the pot whence it is tapped at intervals into a ladle and poured into molds.

The routine work in the pot-rooms consists of tapping metal from the pots, stirring in fresh ore, changing and adjusting the electrodes and occasionally throwing out old pots and putting in new ones.

New Slag Ore Plant

Until quite recently, the bauxite, the ore from which aluminum is produced, went through the primary purification at East St. Louis, Mo., the alumina, or aluminum oxide, being shipped on to Arvida for final reduction in the furnaces. However, this plan, has been superseded by the construction of a new slag ore plant containing the most modern equipment and conveying systems, and two large electric tilting furnaces, which reduce the reddish clay to a white powder.

The Arvida plant, following the completion of the new slag ore plant, is now a complete unit. When the necessary extensions have been made, this plant will be the largest of all. The power for this industry is furnished at Ile Maligne, situated at the head of the Saguenay River, which is the only outlet of Lake St. John. Here power is generated and carried to the ore plant, pot-rooms and carbon plant by transmission line. The Arvida plant is one of the largest consumers of electrical power of any industrial plant in Canada.

The buildings are of concrete, brick and steel and are models of lighting and ventilation. In the hottest weather cool breezes sweep in through the big ventilators at the sides, carrying any dust and hot air from the pots out through the roofs.

More and more is aluminum coming to be used in the various other industries and the future for it can scarcely be conceived. When the increase in demand for aluminum is visualized, it is no longer necessary to wonder at the marvelous expansion of the aluminum industry in the past ten years.

Arvida has already contributed greatly in this latter connection and will reap its reward in continued expansion.

L. St. John Power & Paper is Latest Development

The latest development in the Pulp and Paper industry in the Saguenay region is the plant of the Lake St. John Power and Paper Company which has a present rated capacity of 220 tons of newsprint daily. The mill is located a few miles north of Lake St. John, on Mistassini River. The mill is supplied with power by a transmission line running on the northern side of the lake by the Duke-Price Power Company. The Lake St. John Power and Paper plant commenced production at the beginning of the year. Last year the Canadian National Railways extended its line from St. Felicien to Dolbeau, the town in which the plant is located. The mill is located close to its limits, covering 1,000 square miles, which are estimated to contain not less than 6,000,000 cords of pulpwood. These resources ensure an adequate supply of low-cost wood for the mills. The wood is located in readily-accessible rivers above the mill and can be floated to the plant at low cost.

In addition to being the terminus of the C. N. R., the mill site is also the terminal of the Quebec-Saguenay and Chibougamau Railway's first division which is now under construction. The company operates steadily at capacity, for its output is all sold to the Hearst newspapers. The development was, of course, immediately followed by the development of the town of Dolbeau, which sprang up magically almost overnight.

Ultimately the present capacity of the mill may be doubled. A favorable contract for power has been entered into with the Duke-Price Power Company. In addition the company holds under a 75-year lease two water-power sites, one on the Misstassini River and the other on the Mistassibi River. Both sites are located not more than one mile from the mill. They are estimated to be capable of developing 20,000 horsepower at low cost.

SAGUENAY IS AGRICULTURAL AREA OF SIZE

Not Merely Industrial Oasis in Wilderness

OUTPUT IS LARGE

One of the Most Productive Agricultural Sections in Province of Quebec

It is unfortunate that there is a current belief that the Saguenay region consists of a forest wilderness in which are scattered industrial oases subsisting mainly on the waterpowers and timber resources of the district. The Saguenay region is anything but a wilderness. From below Chicoutimi to far north of Lake St. John is a valley region where are located many of the most productive farms in the province of Quebec.

This agricultural area is roughly one hundred miles in length by about 40 miles in width; it stretches a distance of say 20 miles inland all around Lake St. John and on both sides of the Saguenay River down to a point well below Chicoutimi.

The vegetation is the best indication of the richness and fertility of the soil. Generally speaking, clay is found to a great depth; at certain places, the clay is covered over with a thin layer of sand, which mixed with clay, makes a very fertile land, easy to cultivate. All gradations of soil are found, from heavy clay to very light sandy soil, but it is usually very good for farming purposes. The soil is free from stones, thus permitting the use of modern machinery.

The Lake St. John district has often been called "The Future Granary of the Province of Quebec;" and it is an acknowledged fact that it is an excellent agricultural region, for roots, hay, wheat, oats, barley and rye. Tobacco and fruits are also profitably cultivated in this region.

The usual varieties of live stock are profitably raised; horses, cattle, sheep, swine and fowl. The Lake St. John district is well suited for the raising of live stock and this is a growing industry.

BAGOTVILLE IS LEADING PORT OF SAGUENAY

Strategically Located as It is Railway Terminus of Region

Known for many years as the northern terminal of the Canada Steamship Lines, the town of Bagotville is one of the Saguenay ports which seems to have a bright industrial future. It is the southerly terminus of the Robertville and Saguenay Railway, and the town is located about twelve or thirteen miles down the river from Chicoutimi. The port itself, which is located on deep water, is one of the finest natural harbors in Canada. It is located on Ha! Ha! Bay. It is navigable under all circumstances by deep water vessels, at either high or low water. This was the chief reason why the Canada Steamship Lines chose Bagotville as a terminal for such vessels as the Richelieu, the St. Lawrence and the Tadoussac. At the present time, additions are being made to the Bagotville docks under the authorization of the Federal Government. The additions to the town's harbor facilities obviously should tend to bring further industrial developments.

Port Alfred Paper Mill

Located adjacent to Bagotville are the gigantic mills of the Port Alfred Pulp and Paper Company which have a rated capacity of 400 tons of newsprint a day, and in addition have a large surplus capacity of sulphite pulp.

Next year a new road connecting St. Simeon to Ha! Ha! Bay will be opened. This will undoubtedly encourage a large tourist traffic through the town of Bagotville.

Bagotville stands in surroundings of unsurpassed natural scenic beauty. It nestles at the foot of a hill extending along the northern section of the bay. Inspired by the aggressive and modern attitude of its mayor, L, Joseph Levesque, the citizens have endeavored to keep Bagotville in step with the general industrial development of the region.

The municipal authorities developed a power unit of 1,500 horsepower to supply the immediate requirements of the town and the smaller industries. While Bagotville can now dock four transatlantic vessels at one time, new harbor developments are under way. Because it is the southern terminus of the whole Lake St. John region, and because of the great natural advantages of its harbor, Bagotville will undoubtedly keep pace with the growth of the whole territory.

AREA HAS HAD ITS NEWSPAPER FOR 40 YEARS

Some forty years ago, in response to the demand in the Sagnenay Valley that there be some link between the district and the outer world, then far beyond, a small group of men, with great ambition and little support, began a small weekly journal, which they called Le Progrès du Saguenay. At that time, the village of Chicoutimi owed its existence to Price Brothers Mill there and to its capacity as a religious centre for missionary outposts.

Established in 1888, Le Progrès du Saguenay then a weekly paper, has grown with the region, of which, as its name implies, it is one of the chief factors. In 1927, Le Syndicat des Imprimeurs du Saguenay, printer of that weekly, decided to keep up with the country and its development and Le Progrès du Saguenay became a daily paper.

Le Progrès du Saguenay is a member of the Canadian Press and aspiring member of the A. B. C. Independent of political parties, it is considered a paper giving unbiased opinions, that is why clippings from Le Progrès du Saguenay are frequently seen in the foremost papers in the land. Its circulation is above 9,000 copies and its directors feel confident it will be over the 10,000 mark before many months. Le Progrès is read by all people from all classes, in cities as well as in rural districts all over Chicoutimi, Lake St. John and Saguenay counties and the greater part of Charlevoix County. Outside of the region it has a great number of subscribers, especially in Quebec and Montreal.

$3,000,000 Will be Spent Enlarging Saguenay Port

Contractors Have Begun Work on Providing More Wharves—Will Provide Industrial Sites at Chicoutimi Also—Channel Being Deepened

In all, $3,000,000 is to be spent in extending the harbor policies of the City of Chicoutimi, the port through which flows the output of the Saguenay area.

The year 1927 saw the opening of a new era in the maritime developments of the Saguenay region. Means of communication with the exterior having always been a matter of vital importance to the district, the creation, by the Federal Government, of the Chicoutimi Harbor Commission gives a new impulse to navigation.

The Saguenay region, which comprises the counties of Chicoutimi and Lake St. John, is primarily agricultural and industrial. It has always, therefore, been urgent to improve both rail and water transportation facilities in order to adequately cope with the ever-increasing export and import traffic.

Demands Were Numerous

Specially with regard to Chicoutimi Harbor, since 1898, have there been numerous demands from business men of the district asking for the improvement of present navigation conditions. These demands related to the construction of additional wharfage facilities and called for the dredging of a deeper channel up to the City of Chicoutimi.

These demands, judged reasonable by the Federal authorities, were carried out as quickly as budgetary estimates allowed. The deepening of the Saguenay River up to Chicoutimi has been carried out gradually, from year to year, and at present the greater part of the proposed work has been effected. It is now possible for ocean liners to dock at the wharves, the minimum depth being 16 feet at low tide and 30 to 35 feet at high water.

The Federal Government, in establishing the Chicoutimi Harbor Commission by a law sanctioned June 15, 1926, solved the second problem, namely, wharfage accommodation. As mentioned in the report of the engineer of the commission, plans and specifications were prepared during the summer of 1927 by A. D. Swan, consulting engineer of Montreal. Tenders were received at the office of the secretary of the commission in September of the same year, and the work, as approved by the Department of Marine and Fisheries, has already begun.

The activities of Chicoutimi Harbor during the season 1927 greatly surpassed those of previous years, thus obviously indicating the urgent necessity of not only extending the present wharf, but also the need—in the not distant future—of providing more adequate docking facilities for the constantly increasing commercial and industrial traffic of the region.

Work Begins in Earnest

During the winter months, little work was done on the new Port of Chicoutimi. Labor conditions at one time became rather severe, so that, as an aid to the unemployed, a crushing plant was installed to provide for the stone for the piers.

Since that time, however, work has begun in earnest. The firm of Robertson and Janin has brought in its floating equipment, and with a force of over 100 men, is going ahead with the pile-driving and crib-work necessary in reclaiming the land for the new extension of the harbor wall. A modern dredging plant is on its way from Quebec City, and, the work of deepening the channel will be continued in conjunction with the work on the harbor.

In an interview with Armand Viau, secretary-treasurer of the commissioners of the Port of Chicoutimi, a most helpful and elucidating status of the situation was given in a personal visit to the present harbor.

The charter of the new Harbor Commissioners at the present time extends their power from Chute à Caron to the point of land east of Chicoutimi on the south shore of the Saguenay.

Hence this will include all harbor administration for not only Chicoutimi City, but also Ste. Anne, Ste. Fulgence, and the small harbor at the Chicoutimi Basin.

A casual glance at the very probable industrial developments in the near future give much food for thought. In the first place, this year's work on the extending of the harbor pier will mean that 12 acres of land, now under water, will be redeemed for use as splendid factory sites. Nor is this all. The proposed bridge to St. Anne will no doubt accommodate the new railway line to Chibougamau, thereby locating Chicoutimi as the gateway city to a new mining district which is rumored as a rival Rouyn. This bridge, incidentally, is to be equipped with one turntable span to allow boats to pass up the Saguenay.

Arthur V. Davis, president of the Aluminum Company of America, was keenly interested in this latter feature of the new bridge, so that optimists, who boost the Saguenay, can, with far-seeing eye, picture that day when shipping will be brought right up the Saguenay to the Arvida docks.

SAGUENAY AREA CAN BE VIEWED IN DAY'S JOURNEY

The Saguenay district is accessible. Even in one day, the traveller can obtain a fair idea of the territory. An overnight journey from Montreal or Quebec is all that is required to reach Lake St. John itself, or a day on one of the Canada Steamship boats will bring the traveller from Quebec through some of the finest scenery in the world to Chicoutimi.

AIR SERVICE NOW LINKS CHIBOUGAMAU

Fairchild Company Puts Planes Into New Mining District

For some years the Chibougamou district has been known to be heavily mineralized, and to date a large amount of prospecting has been carried out.

Some prospectors during 1926 and 1927, and some mining engineers, made trips into this district by canoe, enduring many hardships, and encountering many difficulties. Last January, Fairchild Aviation, Limited, of Grand'Mere, Que., made several flights to this district for the Hudson's Bay Company, and for some of the important mining companies. So much time was saved, and the trips were so successful, that the Fairchild Company has established a regular service into this district, and has steadily been carrying men and supplies there during this season.

Now a Complete Service

These flights are now being carried on from Oscalaneo, on the Canadian National Railway, which is reached over night from Montreal; the train carries sleeping car equipment and the trip can be made comfortably. The roomy, heated Fairchild cabin monoplanes leave from Oscalaneo and make the trip into Chibougamau in a little under one and one-half hours. The pilots are men of experience, and they know the whole district thoroughly, and have covered it on many occasions. In travelling to Chibougamau, it is not necessary to wear heavy flying clothes or goggles, and the trip is even more comfortable than travelling on good highways with a closed car. The rates for the trip are little more than the cost of going in by canoe, and five to six days are saved. The service will be interrupted only for a short time in the fall and spring when the ice is forming or melting on the lakes. Provisions, supplies and mail will be carried at reasonable rates, in addition to passengers.

The opening up of this district has been in large measure due to the service rendered by the Fairchild Company. The probability is that this whole district will prove to be a second Rouyn; the development of the area is being decidedly expedited by the development of the air service to the region.

The Fairchild Company also carries on the business of aerial photography which has proved of so much value in mapping other districts. Photographs of mining camps and mining properties carry so much more weight with investors than descriptions that they have been widely used by mining companies and mining engineers. The Fairchild Company is the pioneer in commercial aerial photography and reconnaissance of all kinds, and its work has been used by virtually every company of note in the Dominion.

N. S. Fisheries Increase

Nova Scotia fisheries last month showed an increase in both amount and value of fish landed, as compared with June, 1927, according to a monthly statement issued by the Eastern Fisheries Division of the Marine and Fisheries Department. Last month 43,901,800 pounds, having a value of $1,359,651 were landed, while the catch for the corresponding period last year was 43,872,900 pounds valued at $1,251,457.

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Owing to arrangements made with the Canadian National Railways, who have the supervision of the construction, the Company is assured of the entire co-operation of the Canadian National Railways.

The country through which this line will operate is very rich in natural resources that will assure a large amount of freight, which will bring in a substantial revenue.

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Definite bonds will be ready for delivery on or about the 15th of August next. In the meantime we are actually delivering temporary bonds of the Sun Trust Company of Canada.

Railways Are Nation Builders

THE history of Canada's progress has been written in the building of its railways, enabling that interchange of products, produce and peoples which is essential for economic and national growth.

Whereas Canada's transcontinental lines have brought horizontal expansion to the nation, so those lines which have opened up our more northern areas have brought vertical expansion — extending our national frontiers into the riches of the North country.

The Quebec, Saguenay and Chibougamau Railway now under construction will open up a great new district, rich in its agricultural, timber, hydro-power and mineral resources. Its advent means that greater colonization, industrial and mineral development will follow in its train — adding to national purchasing power, and the development of our natural resources.

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Wright Hargreaves Deepens; Teck's Objective, 3,600 Feet

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Nickel's Program Under Way; Abana Locates New Bodies

Wright-Hargreaves Driving Two Shafts to 2,000 Foot Level

Find Tellurides in Operations at 1,650 Foot Level

DAILY TONNAGE 700

Residents of Kirkland Lake Country Think Stock Good Buy at Present Price

By Staff Editor

KIRKLAND LAKE. — Wright-Hargreaves struck tellurides on the 1,650 foot level to-day, similar to those struck on the 1,750 ft. level in June. This is a high grade ore which requires a special treatment. The ore is first bagged, instead of being loaded into the mine cars in the ordinary manner and when brought to surface it is subjected to a special oil flotation process. The extent of the new find has not yet been determined.

Wright-Hargreaves at the present time is concentrating its main effort in shaft sinking. No. 3 shaft has 35 feet more to go, and No. 1 shaft 90 feet to reach the 2,000 ft. level. When this level is reached, stations will be cut, and the workings extended to connect the two shafts.

Open Two New Levels

The station cutting and cross-cutting will be completed in August and the shafts connected in September. This will make two new levels, the 1,875 and the 2,000 ft., available for development work.

A crew of 42 men and seven machines are employed in the shaft-sinking campaign, and when the cutting of stations has been completed and the levels made available for operations, the intention is to resume shaft-sinking.

Development work at present is mostly on the North vein on the levels from 1,200 down to 1,700 ft. The only outside exploration being done is on the East vein where drifting is being carried out on the 1,250 ft. level on ore cut by diamond drills. Development is being pushed along just as fast as the equipment will permit, but it is not expected that anything of a sensational nature will be encountered till the outside claims are reached by the lower levels. It is known that there are a number of lenses to be opened up here, and it will be something unusual if some of these don't make big ore. In the meanwhile considerable development work remains to be done. Wright-Hargreaves's tonnage is running a little over 700 tons a day, and millheads about $9. A crew of 450 men are employed.

A general feeling of confidence in Wright-Hargreaves obtains in the Kirkland Lake Camp. The opinion is that once the present extensive development campaign is completed, tonnage and millheads will go up. Wright-Hargreaves stock at the present time is considered a bargain for one who is content to wait until the mine gets into its full production stride again.

Exploring Large Block in Flin Flon Area

Nipawin Mining Co., a new organization, is operating the Beda-Birch group of sixteen claims at Tyrrell Lake, nine miles from Flin Flon Mines.

The Beda-Birch property is undergoing development; a crew is now engaged in stripping and trenching, preliminary to diamond drilling. The ore body has been traced over a length of six claims and the width runs from 200 to 270 feet.

Besides working the Beda-Birch property the company is keeping a prospecting party in the field under the supervision of one of the directors of the company.

The Nipawin Mining Company is watching developments in both the Eastern and British Columbia mining fields, where they have promising properties under examination at the present time.

W. C. Dalglish, mining engineer, has been retained as consulting engineer, and is now engaged in the examination of various properties for the company.

Joins Sudbury Crater Board

First among several new directors to be added to the board of the Sudbury Crater Mining Co., who are developing holdings in the Sudbury Basin and the Malartic Gold Areas, is John A. Forlong. Mr. Forlong is interested in mining affairs of Manitoba and Quebec; he is a resident of Winnipeg, and is managing director of the Capital Loan and Mortgage Corporation of that city.

Parker Island may be your Treasure Island

Trench assays from $13.80 to $60.40 per ton. Diamond drill assays up to $281.80 per ton.

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Report Sherritt-Gordon Offered $10 for Shares

Sherritt-Gordon mines were offered $10 per share for 1,300,000 shares remaining in the treasury, is a story published by Mowat & McGillivary, brokers in their market letter. The offer is said to have been made by a group of U. S. financiers. It is said that this, along with cash now on hand would give Sherritt-Gordon $16,000,000. These brokers say that intrinsically Sherritt is a $12 to $15 stock.

BINGO PROPERTY SHOULD NOT BE ABANDONED YET

Prof. Storey Pleased With Results in Drilling—Would Do More

Professor E. R. Shorey, University of Wisconsin, is still hopeful for Bingo Mines, Herb Lake section of Northern Manitoba. Following a test of Bingo ore, Prof. Shorey undertook a diamond drill campaign for the London people. He got nothing conclusive, but believes results were such as to warrant another 10,000 feet of drilling. He points out that considerable encouragement may be gained from the results secured in holes Nos. 5, 6, 11 and 12. These are the only holes to penetrate below the Bingo claim outline, at a greater depth than that reached by previous mining.

In these holes there were disclosed several veins: No. 5, three; in No. 6, two; in No. 11, two, and in No. 12, which ran through 140 feet of soft porphyry containing many quartz stringers of varying widths, the vein was clearly cut within 100 feet west of the downward projection of its surface outcrop. The showing in hole No. 12 at a depth of 1,000 feet, vertically below the surface, indicates a widening out of the mineralized zone to a considerable degree in this region, and No. 12 is the northmost of the holes drilled, Professor Shorey says.

Values Persistent

"The persistence of values, though they are not large, is pleasing. It is true that they do not indicate values that would warrant mining, but in this connection I wish to point out certain facts. Mr. Reid and Mr. Dresser, in the past, have sampled the Bingo workings, with results which fell short of the mill test results of 1926 to a marked extent. All indications pointed to careful cutting of channel samples at intervals in each case of 20 feet horizontally, and in levels 100 feet apart vertically. Since this rather close sampling failed to disclose the values that later work proved were present, it is not surprising that these four drill holes, drilled at wide intervals, horizontally and vertically, did not show higher values. It is true that greater encouragement to continue would have been given by higher values, but it is my opinion that these holes did prove the existence of a vein at much greater depth and for a considerable distance north of any previous showing.

Drilling Troubles

"The discouraging features of the season's work were the failure to get the desired depth in a greater number of the holes drilled—which led to a change in foremen—and by so doing to allow a greater length along the vein to the north to be proved up—and the absence of high values above mentioned.

"There are certain points, however, that in fairness to all parties should be considered. This was the first work of which any records were available on this location, and in this particular neighborhood. While certain flattening out was to be anticipated, the extent to which it developed here was unusual. In a recent letter which I received from the first foreman on our job he describes it as exceeding anything in his past experience. It was greater, considerably, than that anticipated by his successor, who is the best man I've ever seen, and who did all that was humanly possible to hold the flattening tendency to a minimum.

North Vein Extension

"At the present time, there are certain courses, which suggest themselves, one of which might well be followed in the future. It is my feeling that abandonment of the property should not be considered since we have so much favorable information about it. We have no information about the company's holdings north of hole No. 12, and they are extensive in that direction. Hole No. 12 shows a very encouraging mineralization. Neither do we have any information in regard to the behavior of the "Rex" vein along the west side of the Bingo holdings, granting that it may persist north that far and lie within the property lines. It is not at all improbable that it does.

B. C. Mines Distribute Million Each Month

B. C. mines in the first six months of 1928 distributed $5,876,527 in dividends. The figures follow:

	Half-year	to date
Cons. Mining & Smelt.	$3,174,447	$25,904,280
Granby Cons. M. S. & P. Co.	984,660	12,092,545
Howe Sound Co. operating Bri. Mine and Mexico	793,660	6,253,069
Prem. Gold Min. Co.	700,000	12,450,937
Crows Nest P. C. Co.	181,480	8,761,574
Duthie Mines	25,000	25,000
Canadian Collieries ..	17,280	17,280
Total for half-year	$5,876,527	

It is predicted that the 1928 total will be over $12,000,000.

GEOLOGISTS SEEK CRUDE OIL FIELD IN NORTH ALTA.

Crews Going to Fort McMurray and Fort Norman

TOO MUCH GAS

Opinion Prevails Huge Pool Will be Found Somewhere in the Province

From Our Own Correspondent

CALGARY.—Once more interest is being aroused in oil prospecting in the northern region of Alberta. After the Fort Norman experiment, however, of a few years ago it is doubtful if the interest will be anything more than that of a passing nature. All the same extensive survey work is to be carried out by Amerian capitalists and the first survey party is leaving shortly for Fort McMurray. A close study is to be made of the country in the neighborhood of Fort McMurray, and in the area further north toward Fort Norman. It is stated that A. E. Humphries, prominent oil operator of Denver, is behind the scheme. He is president of the Canadian Exploration Company, a new concern largely financed with American capital. Lately Mr. Humphries has been in Alberta in his big six-passenger monoplane.

Seeking Crude Oil

What prospectors are looking for at the present time is crude oil and not gas. Undoubtedly somewhere in Alberta is a vast field of that product, so leading geologists state. It may be in the far north, or elsewhere, but they are sanguine that it actually exists somewhere.

Gas wells are not in demand. There are millions of feet of gas going to waste even at the present time in the Turner Valley field and the utilization of this surplus is already a matter of much concern. Tentative plans are under way to pipe this as far east as Winnipeg, but whether this could be done at a profit is the problem that many are now trying to solve. In the south country similar steps are projected to pipe the gas from the big Rogers-Imperial well to Montana. Whether satisfactory arrangements can be made with the United States authorities in connection with the matter remains to be seen. Up to the present, however, there have been insurmountable obstacles.

It is therefore little to be wondered at that special attention should be directed to the finding of crude oil and it is this that the American interests mentioned are hopeful of eventually discovering in the northern areas of Alberta.

BUNK. EXTENSION DROVE 11 HOLES BUT CUT NO ORE

Company Will Continue Work and Also Seek Other Properties

Bunker Hill Extension, diamond drilling in Sudbury Basin to the east of Errington Mine, has completed 11 holes and has three drilling. While some encouragement has been met with, an interim report sent shareholders, says no ore has been found, yet results have been of a sufficiently favorable nature that the directors deem it advisable to continue work along the same lines until such time as possibilities of the remaining unexplored portion of the property may be exhausted or bring favorable results in the finding of ore bodies. This means that there should be definite news one way or another in from 8 to 10 weeks.

Bunker Hill, however, is seeking other properties. Merritt Hotchkin, G.M., has taken charge of an exploration department, while Russel Cryderman, in charge of prospecting operations has staked two groups which are being explored. The report shows cash, $20,298; investments, $409,775. Due on property options, $233,506; accounts payable, $10,364.

Towagmac Organizes Geneva Subsidiary

Geneva Lake Mines will operate the holdings of Towagmac Exploration at Geneva Lake, near Sudbury. The company will be capitalized at 1,000,000 shares, of which Towagmac will hold 400,000. A block of treasury stock has already been underwritten and will net the treasury approximately $250,000. This money will be used for the erection of a concentrator. The stock is now being traded in, if, as, and when issued, at around one dollar per share.

Officers and directors will include: Mr. Noah A. Timmins, Mr. Jas. J. McFadden, president of the Towagmac Exploration Company Limited, A. A. McKay, W. P. Alderson, and several directors yet unnamed.

New Mond Ordinary Offered at $32.50; Present Market $45

Shareholders of Record July 2 Secure Valuable Stock Rights

FROOD STORY TOLD

Facts Presented Substantiate in Detail Those Published by Financial Post

Mond Nickel shareholders of record July 2 will have the right to take up one new share of 10s. par for every three held. The price will be at a premium of £2 15s. per share or £3 5s. which is equivalent to £6 10s. for the old £1 shares which have been selling around £8⅝-9. On an offering of 600,000 shares the premium added to Mond reserves would total £1,600,000.

From a Canadian point of view, the remarks of Lord Melchett on Frood mine development were of ranking importance. He confirmed practically in detail facts presented by The Financial Post from time to time in regard this venture. One shareholder thought the company should issue progress reports so that shareholders in England would be in the know. He said: "During this last year it had appeared to me that the information has been known in advance by people other than the shareholders—especially, I think, by people on the spot in Canada, of course. I have heard of some heavy buying from Canada, and later that has been followed by advices that the mine has been developing very well. Accordingly I think that as we are now becoming a very big mining proposition, and as it is usual for mining companies to issue progress reports, I think the shareholders would very much like to have something of that nature.

The chairman said that for the next six months they would be driving in rock to reach the ore. His remarks about the Frood were as follows:

This mine is interesting from the fact that the ore bodies vary in enrichment from the top downward. On the surface the ore is rocky and poor, and it gets progressively better as the lower depths are reached. That is not merely the case in our section of the mine, but is exactly similar in the large section of this reef—as I might almost call it—which is owned by our neighbors, the International Nickel Company.

Above the 2,700 ft. level, we have disclosed a very large ore body, the average grade of which is superior to the ore which we are working at present. We attach great importance to the grade of the ore, obviously, because we turn the ore into matte by a smelting process, and the richer the ore the smaller the tonnage required to produce a ton of matte. The cheaper it is to produce the matte the cheaper becomes the finished product, in whatever shape you deal with it. Therefore, anything which tends to increase the richness of the ore produces proportionate reduction in the cost of the matte, and in that way increases the profits of a mining company.

Below that level the ore gets still richer in metal contents—especially in copper—and in certain spots the copper ore appears to be so concentrated as to show quite phenomenal values. As I told you last year, the International Nickel Company had struck on their side an ore body very rich in copper, and that I wondered whether we had a similar occurrence on our side of the property. We tried to locate this occurrence. I promised to let you know the result, and we let you know the result of that particular investigation when our borehole No. 28 intersected a section of ore 70 ft. wide, containing 20 per cent. copper and 2 per cent. nickel, the samples of which were subsequently found to be also very rich in precious metals.

Sinking of Shaft

Those who are acquainted with mines know that it is foolish to build great hopes on any single borehole. Boreholes are only indications of probabilities, but at any rate they show you that there is something to examine and develop. We did some drilling, but we came to the conclusion that there was no point in spending more money on drilling, and that we had enough information to justify us in proceeding to sink our shaft down to the level where this ore body was located, and to adopt the usual mining practice of driving cross-cuts into the ore body, for it is only by such development that we can form a sound conclusion as to the quantities which we are likely to obtain.

I am glad to say that we concentrated on the sinking of the shaft with great energy, and I want to compliment our staff and the contractors there on the very fine figures which they showed. It is just about finished to a depth of 3,350 ft. We shall now cut stations at three different levels and drift toward the ore with all possible speed. We hope to reach the ore about the end of this year, when we can open up the mine.

I pointed out last year—and I think I must repeat it—that the development of a mine is in itself a slow process, and that it cannot be unduly hurried. The improved results that we shall obtain from the better ore of this mine will take time to materialize in profits for our company. By the end of the year we hope to have our cross-cuts to the ore body. Then will begin the somewhat slow and laborious process of preparing for actual mining of the ore. We hope to get a substantial tonnage in 1930 and a large proportion of our requirements in 1931, and after that time we may perhaps concentrate the whole of our mining efforts on this mine, instead of operating two or three mines, as we are doing at present.

Large Expenditure

Of course, this programme will require a large amount of capital expenditure. We have got our shaft to sink and to provide surface plant and hoisting machinery. With the help of experts, we are studying new methods of dealing with this very large new ore body, in the hope that we may very substantially reduce the costs of our operations in Canada. It will be necessary to incur large expenditure in the development of a mine of this magnitude, and that has induced the directors to bring forward the proposition for finding new capital for the company. When we meet again this time next year I shall be able to give you fuller and more certain information as to our position there. I have no doubt that this company is going to possess a valuable property, that we are assured of many years' supply of good ore, which will substantially increase our profits, and that we have a possibility of making something more if we find that this rich ore exists in substantial qualities.

Assay of 50 Ft. Vein Run $18 to the Ton

Assay results on the new discovery made on East Bay Mines, Red Lake, north of Howey run high. The vein is galena, 50-ft. wide, and gives $6 in gold, 10½ oz. silver and 94 lbs. of lead. This works out $6.20 for silver and $5.83 gross for lead or $18.03.

BRETT-TRETHEWEY TO SINK SHAFT IN BARNETT TWP.

Plan Electric Survey and Diamond Drilling in Clifford

By Staff Editor

HAILEYBURY.—Brett-Trethewey Mines is taking in a small hoist to its property in Barnet Township, and will put down a shaft to a depth of 100 feet. It is planned to crosscut to the vein and carry on drifting. The work of installing the plant and sinking the shaft will be completed before winter. Future plans will be governed by results obtained by the present programme. A crew of 15 men are now engaged in trenching and prospecting. Work to date has disclosed a rich gold occurrence in a favorable porphyry formation.

Mapping of the company's property in Clifford Township has been completed, and an electric survey will be made, to be followed by diamond drilling.

OFFERING GOLD HILL SHARES AT 12 CENTS

Company Seeking Additional Funds to Carry Out Engineers' Plans

Gold Hill Mines is offering to shareholders 300,000 treasury shares at 12c. per share. The company is reported to have excellent equipment for mining and milling purposes and if expenditure of funds provided by this additional stock subscription result in discovery of more profitable ore bodies the company is in a position to become a profitable producer. Subscription rights expire August 4 next.

Wright and Boydell, consulting engineers, report there are two veins on property 66 feet apart at the surface, and upon which development work has been concentrated. These veins showed a diminution in width and values from the 300-ft. to the 500-ft. levels, but grade and length again increased from the 500-ft. level to the 800-ft., and the veins carry values over a greater length on the 800-ft. than on any other level so far developed.

The engineers recommended that drifting be continued on No. 1 vein easterly at the 800-ft. level as long as the present encouraging conditions there continue; that the shaft be sunk to 1,200 ft. and a station cut at 1,000 ft., that lateral exploration be done first to the east on the 1,200-ft. level and that all efforts be concentrated here when this sinking program is undertaken; that lateral exploration by crosscutting and diamond drilling be later carried out from the east drift at 800 ft.; that the third break north of the shaft be drilled either by a steep hole dipping at 70 to 75 degrees north from the surface to cut this vein at about 600 ft. below surface, or by a drill hole from the 303 north crosscut on the 300-ft. level. The former is considered probably more economical; that an effort be made to explore the surface in the low ground to the east of present workings where veins would intersect the north and south depression, or possible fault line.

Showings on Redditt at Narrow Lake Good

Reddit properties, 21 claims at Narrow Lake portage, are opening up well. On Claim K.R.L. 6232 a quartz-porphyry dyke, 110 feet wide and extending for more than 1,500 feet, is being explored. Cross-cuts have been blasted and a mineralized section seven feet wide located. This is well schisted and carries copper, galena, gold, and some zinc. A test pit is being sunk on this vein and a sample received here, taken at a depth of five feet, is one of the best seen from that area. Channel samples are now being assayed and an aggressive development is planned on this claim.

Crossing the northwest corner of Claim K.R.L. 6240 a six-foot vein on the contact between diorite and chlorite schist was discovered just before the freeze-up last fall. This has been opened up for a distance of 300 feet and sampled. The vein matter is schisted quartz and carries copper pyrites and gold. This vein was located on a schisted shearing which angles through the property, outcropping at intervals. A preliminary sample taken from the mineralized schist carried $6.90 in gold.

"Nickel" Has Launched Huge Building Program

Construction of New Smelter and Large Concentrator Started at Sudbury — Will be Rushed to Handle Ore from Frood

Construction on International Nickel's new 3,000 ton smelter has started at Coppercliffe. In addition there will be a concentrator with 4,500 tons daily capacity. The present smelter is 2,000 tons daily.

This building program will require 18 months and by that time it is expected that the Frood mine will be ready to produce. The big Frood shaft is down 3,000-ft. and cross-cuts to cut the ore on 2,000, 2,400 and 2,800 ft. are now being run. It will be close to the end of the year before the ore will be cut.

It is understood that when this programme is completed the total expenditure will reach $17,000,000 to $18,000,000.

This includes building of the smelter and mill, arranging for back filling the mine, and development of additional power. The company has already developed 21,000 h.p. at two sites on the Spanish River and is about to install generating equipment at its Big Eddy dam built for purpose of creating storage. With completion of this undertaking an additional 18,000 h.p., or total of 39,000 h.p., will be available.

INDICATIONS ARE QUEBEC WILL HAVE LARGE GOLD AREA

Many Operations Going on in Amos and Malartic Sections

OUTLOOK EXCELLENT

N. A. Timmins Said to Have Taken Up Group Near Fisher Station

Keen interest is being evidenced in the gold section of Quebec to the east of Rouyn. Some interesting facts in this regard are given in a progress report issued by the Cummings-Trudel Mines, which has four groups of properties, three of which are gold prospects.

One of these is 300 acres in Barraute Township, near Fisher and Barraute, C.N.R. stations, and some 20 miles east of Amos. Three properties are now active in this township on a belt of highly sheared volcanic rocks cut by veins of quartz carrying free gold. The rocks dip to the north, while the veins dip to the south. Some seven veins have been stripped and diamond drilled on the Venus property which ties onto the Cummings-Trudel to the east, and commercial values across good widths have been reported by the engineer in charge. Continuations of these veins and new ones have been shown up by trenching on the Cummings-Trudel.

Mr. Timmins in Area

Gold values occur in the wall rocks and the evidence points to a considerable degree of alteration, and accompanying mineralization. On the west, the Fisher Quebec mines have a shaft north of the track near Fisher station, and it is understood that this property and lots adjacent to Cummings-Trudel are under option to N. A. Timmins, Inc. The Cummings-Trudel Company are now building camps and preparing for a diamond drilling campaign.

Work in this section of the Quebec gold fields has been going along quietly and developments are of a nature warranting the prediction that the future will see more mines developing. Another group is in Fourniere Township, in what has become known as the Malartic Gold area. The Malartic Gold Mines property, Lucky Tiger Mines Co. property, and Cummings-Trudel claims are adjacent and lined along the strike of the main fracturing associated with intrusive masses of syenite porphyry with which the gold bearing ores are associated.

Drilling Lucky Tiger

The Lucky Tiger Company is not in the public eye because of being controlled by a large American Company whose principal operations are located in Mexico, but it is significant that their drilling operations are being carried on within a short distance of the west side of the Cummings-Trudel claims. Information gained from drilling so close to the line will point out the way for a drilling programme on the Cummings-Trudel property. The chances of locating a continuation or repetition of gold mineralization similar to the two properties to the west is exceedingly promising. Because of low wet surface conditions prospecting will have to be by drilling.

The other two groups are of lesser importance, one being north of Abana and the other in Cadillac southwest of the O'Brien operation. The facts revealed, however, indicate possibilities of a very large gold producing area being developed.

OPENING NEW LEVEL ON JACKSON MANION

Station Now Being Cut at 250 ft. — Good Ore from Drift

Station cutting on the 250-ft. level of Jackson-Manion property, Woman Lake, has been completed. The shaft will be continued on for a sufficient depth to provide a sump, and then a crosscut will be run to the vein on this level, where it is anticipated that similar results will be obtained to those on the 125-ft. level, where the vein was 10½-ft. between walls, well defined.

Drifting will be carried on on both the 125-ft. and 250-ft. levels.

The average value on 50-tons of ore taken from this crosscut was slightly over $42 per ton.

A parallel break about 250-yards, east of the main break has been uncovered, and traced through to Rowe Lake. It is quite possible that this may be the apex of a parallel ore body.

The company's diamond drill is expected to be shortly in operation, when this break will be drilled.

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Teck Hughes Starts Sinking South Shaft, to Go to 3,600 Feet

Daily Tonnage is Now Running Up to 920 Tons

RECOVERIES ARE $17

Production Runs from $400,000 to $420,000 a Month at Kirkland Lake's Big Mine

By Staff Editor

KIRKLAND LAKE.—Sinking of Teck-Hughes' new four compartment shaft is about to commence. Workmen have been engaged in clearing the ground for some time and actual sinking will be started this week.

The new "South" shaft is being put down to the south of the highway leading from Kirkland Lake to Swastika. It will be the first shaft to be put down on this side of the road and will open up entirely new ground.

It is proposed to sink the shaft to a depth of 3,600 feet and to connect it with the Central shaft workings at the 3,000 and 3,600 ft. horizons. The first station will be cut at the 25th level, a depth of approximately 3,000 feet.

Several months time will be required to erect buildings and pour the concrete foundations for the collar of the big shaft, so that it will be about the end of the year before the main campaign of sinking is fully under way.

Operates Two Shafts

Teck-Hughes at the present time operates two shafts, No. 1 goes to the 500 ft. level where it is connected with an interior shaft or winze that has been carried down to the 10th level at 1,100 feet. The second, or central shaft is now down 2,350 feet and is being carried down to 3,000 ft. This shaft is to be extended by an incline shaft to the No. 3 ore zone.

Although work is going on on every level from surface to the [illegible] ft. level main production at the present time is centred on the [illegible] to the thirteenth levels.

Recovery is $17 a Ton

Production for the first six months of the year has been from $400,000 to $450,000 a month. Recovery for the first six months amounting to about $17 a ton, and the mill treating 900 tons a day. It is stated that it is the company's intention to maintain production at this level for some time and that further expansion will have to wait on plans in connection with the new shaft.

As it is, Teck-Hughes has more than doubled its capacity during the past six months. Two new units were added in December which enabled tonnage to be stepped up from 400 tons a day to 850 tons, and during the last few months the load has been gradually increased to [illegible] tons a day.

The mine's extensive program has resulted in an increase in staff, so that to-day including the construction crew, it has a force of [illegible] men in its employ.

Decline of Hollinger Predicted by London

The rather distressing situation at Hollinger with its falling off in production, recalls the assertion of English economists that no new gold discovery of importance has been made in 25 years. Porcupine and Kirkland Lake camps were both discovered in the period involved but in attacking the assertion the Canadians cited but one mine, Hollinger which then ranked as the second gold mine in the world.

London came back with the statement that Hollinger was but a flash in the pan and that their engineers told them that Hollinger would start to peter out by 1928. The present showing of the large enterprise places London in the position to say "We told you so."

NEW HOIST WILL SPEED UP WORK AT SYLVANITE

Will Have Twice Speed and Capacity of the Present Unit

From Our Own Correspondent

KIRKLAND LAKE. — Sylvanite Gold Mines are making preparation for the installation of a new hoist, capable of operating at twice the speed, and handling twice the load, of the hoist now in operation. The new addition will materially accelerate the development of this promising Kirkland Lake property.

Sylvanite's shaft is now down 1,850 feet and is to be carried down to a depth of 2,000 feet, where a station will be cut, and a new level established.

The lowest lateral working at the present time is the 1,500 where a crosscut is being run in to pick up the downward extension of the first vein south of the shaft. The second vein on this level has already been drifted on for a distance of 200 feet.

The first vein south of the shaft has now been opened up from the 600 to the 1,375 foot level, and a raise is now being put up from this level to the 1,250.

In the workings north of the shaft, stoping over a length of 600 feet has been done on two veins, on the 800 and 1,000 ft. levels. One vein has been drifted on for a distance of 350 feet in high grade ore, the widths running from 10 to 12 feet. The 250 ft. ore shoot has been of average grade. Sylvanite's production is running between $60,000 to $70,000 a month, with an average daily tonnage of 200 tons. Development and exploration ore is being run through the mill as encountered and in consequence, values are lower than would be the case if all the ore treated was being pulled from the stopes.

When the new hoist is installed, stations will be cut, and levels run in between the 1,500 and 2,000 foot horizons.

Sylvanite has a total force of 180 men in its employ at the present time. This includes a large amount of labor for underground exploration, and surface construction. The building of the new staff house is well under way.

1,000-TON CONCENTRATOR

The management of Aldermac is said to have as a mining objective the establishment of 2,000,000 tons in ore reserves following which a 1,000-ton concentrator will be erected. Sixty per cent. of this tonnage is now in sight. The ore is low grade.

Open 3 New Levels on Malartic Group

Shaft sinking on Malartic Gold Mines, N.W. Quebec, has been completed to 400-ft. and lateral development will now be pushed on three levels. Considerable work was done on the 130-ft. horizon and it is expected that the new levels will show up as well. Several ore zones were cut and the total width of these is said to be around 100-ft.

BEAVER CO. PASSES

Beaver Consolidated has changed its name to Northern Canada Mining Corporation and has increased its capital from two to five million shares. It has under consideration the role of a mining investment trust.

Additional mining news on page 14 this week.

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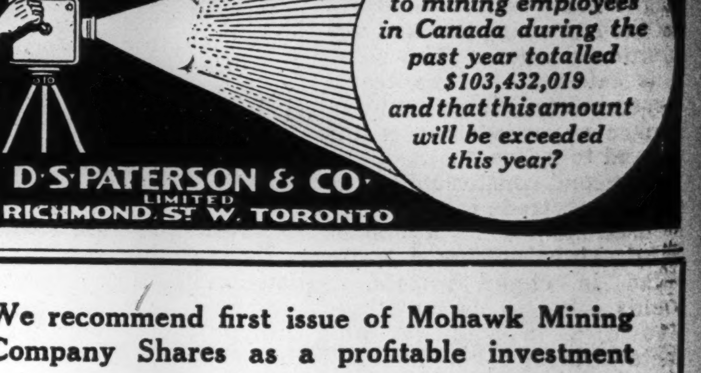

Do You Know That—

The salary and wages paid to mining employees in Canada during the past year totalled $103,432,019 and that this amount will be exceeded this year?

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Mond Nickel Company Limited

Increase of Capital: Terms of Issue

LORD MELCHETT'S ADDRESS

The 14th annual general meeting of this company was held in London, England on July 12th.

The Right Hon. Lord Melchett, P.C., F.R.S., D.Sc. (the Chairman), said the profit and loss account showed an increase in the gross profit of £247,890, an increase of nearly 50 per cent. on the previous year's figure. The improvement was mainly due to the great increase in the deliveries of their main product, nickel. Another factor had been a further reduction in the cost of matter produced in Canada, which in the last two years had been brought down by 25 per cent. and was now lower than ever before. The sum of £50,000 had been placed to suspense account, mainly for the purpose of providing for any loss which might eventually arise in connection with the subsidence at the Worthington Mine and for other contingencies. The net profit, but for the transfer to suspense account, had been increased by almost the identical amount as the gross profit. He thought it would be agreed that the company had had a most satisfactory year and that it was in a very strong position. The mines which the company was at present working, namely, the Carson and Levack, were looking as well as ever, and they had been able to prove further ore reserves during the year. They had, however, been fortunate in finding in the Frood Extension Mine a property of very large extent and of better grade than they had had in the past. The Board, therefore, attached great importance to its development. The position of this mine was interesting owing to the fact that the ore bodies progressively improved at depth. A very large body of ore had been disclosed above the 2,700 ft. level, the average grade of which was superior to the ore at present being worked. This would result in cheaper matte costs, and, therefore, in cheaper nickel production and larger profits if the prices of metals were maintained. Below that level the ore got richer both in copper and nickel contents, and in certain spots the copper ore seemed to occur in such concentrated form as to show quite phenomenal values. The shareholders were advised in October last that borehole No. 28 had intersected a section of ore 70 ft. wide, containing 20 per cent. nickel and 2 per cent. copper, the samples of which were subsequently found to be very rich in precious metals. From the result of this and of other boreholes, the Board came to the conclusion that it was useless to try to estimate the tonnage and value of this occurrence by further drilling, and all energy was concentrated on sinking the shaft, which was just about finished and was 3,350 ft. deep. The development of the mine would necessarily be gradual, but it was hoped to get a substantial tonnage by 1930 and a large proportion of their total requirements by 1931. In the Frood Mine the company had a very valuable and fine property, from which they were assured of substantial and enhanced profits for many years to come.

Nickel

Referring to the phenomenal increase in the general consumption of nickel, the chairman said that the metal was being used more and more in an increasing number of alloyed combinations. There was no doubt that steel, chrome, and other non-corrosive alloys, as well as alloys requiring a large degree of tensile strength, benefited by the admixture of nickel, and this was being more and more recognised in metallurgical production. Practically every country and every use of nickel was increasing its demands and that was why he thought the industry was to-day on a much sounder and more stable basis than he had ever known it to be during the long time he had been associatea with it. The company's other main porduct, sulphate of copper, had benefited from the higher price of copper. They had sold the whole of their production, and he thought they would have no difficulty in disposing of any additional amount they might make. With regard to precious metals, from which they derived a considerable revenue, they had had no difficulty in disposing of the whole of their platinum production at prices which, although lower than in the past, were still satisfactory. He thought that some kind of stabilisation among platinum producers must and would take place, for there was no object in forcing on the market larger quantities than the market could possibly absorb.

He was glad to be able to state that the relations with their staff and workmen, both here and in Canada, continued to be excellent. There was no doubt that the co-partnership scheme had been very beneficial to the company.

Capital Increase

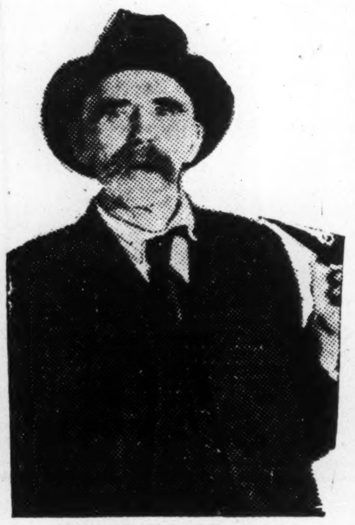
The company had an extensive programme of work before it, and it was therefore proposed to increase the authorised Ordinary capital from £900,000 to £1,500,000 by the creation of 1,200,000 shares of 10s. each. The board proposed to issue 600,000 of the new shares at a premium of £2 15s. for each 10s. share, thus making the price of issue £3 5s. This offer would be made to the Ordinary shareholders on the register on the 2nd inst. in the ratio of one new share for every three held. It was also intended to reserve a number of shares, not exceeding 100,000, to allocate to persons actually concerned in the management of the company on such terms and at such price as the board in their discretion might decide. The premium on the new shares, which would amount to not less than £1,700,000, would constitute a very substantial reserve in the next balance-sheet. It was also proposed to sub-divide the £1 Ordinary shares into two shares of 10s. each.

The report and accounts were unanimcusly adopted, and the proposed subdivision and increase of capital was approved.

Pat Daly's Whistle Again Chirps Merrily

Pioneer of Portland Canal Who had Much to do With Proving Up—Premier Now Reported to Have Hit it Rich on Mountain Bay Property

By Charles L. Shaw


PAT DALY

Pat Daly is playing his tin whistle again, and that means everything is going right with Pat, the most picturesque character that the mines of northern British Columbia have produced. Just now he is playing his weird tunes back in the lobby of a Stewart hotel, but he would rather be out where he says he belongs—in the bald, rugged mountain country close to the Alaskan boundary watching them hoist out ore from the mine that made him a millionaire and world famous.

Pat would sooner part with life itself than the tin whistle that has kept him company during those struggling, prospecting years. "Those tunes I played first in the gold hills, and when I play them now they bring back the gold hills to me," he says, and so plays on.

But playing crazy tunes on a tin whistle isn't the only thing Pat does with complete success. The thing that brought him to the forefront among the veterans of the northern gold trains was the development of the Premier mine, the wonder property of the Portland Canal country which has paid more than $12,000,000 in dividends.

Blame the Whistle

"Don't thank me for that," Pat will tell you. "You can thank me whistle. If she'd failed me I'd never have stayed in that forsaken country and you'd be without yer famous Premier and all its millions. Me whistle was me company and made it worth sticking."

No one knows how old is Pat, and he says he's forgotten himself. "It's nowheres near a hundred years since I was born," he tells you with a twinkle of his Irish eyes. But Pat Daly has been a familiar figure in the British Columbia mining country as long as most people care to remember. Life wasn't always easy for Pat, but usually he found it pleasant. His cheery disposition saw to that; and the tin whistle helped, of course.

Most of the old-timers who lived to grow rich in the Portland Canal country went there by mistake, thinking it was somewhere else. Such was the experience of Clay Porter, who went back to his home in the Middle West a few weeks ago worth more than a million dollars after toiling like a horse in the northern wilderness in his successful quest for minerals. Pat Daly, like Porter, probably "played a hunch" when he went north and stayed at Portland Canal more by coincidence than by design. Long, lean years followed and they found Pat working in half a dozen different camps as laborer and prospector. "It was tough going," he admits, "but there was no use grousing. It could have been far worse."

Must be Worked

Others with hearts less stout deserted Portland Canal in that period of depression, but Daly hung on and, partly, that was due to a piece of property that caught his fancy. It was the Premier mine and at that time O. B. Bush and Grant Mahood were running it. Times grew worse and Bush, one of the most optimistic mining men the north country ever bred, was forced to close down. It meant that Pat Daly was out of a job, but that did not concern him so much as the thought that the mine was idle. "A good mine should be worked. She's no utter use laying still." That was one of his slogans. The situation displeased him greatly, but he played his tin whistle and kept smiling. And then someone made a daring proposal to him.

"Why don't you work the Premier yourself, Pat?"

As well ask a stoker to operate an ocean liner by himself or a porter to run a train. But Pat Daly played with the idea for a while and it fascinated him. He whistled louder and oftener and made up his mind. "Sure I'll run it, if they'll let me," he announced. The necessary authority was forthcoming and for months he single-jacked with hammer and drill, alone, and borrowed money for dynamite with which to tear away the surface of the wonder mine.. He took tons of ore out of the mine, but the Premier was not easily accessible. Aerial tramways and other transportation facilities have been built since, but there were none of these in the days when Pat toiled alone in the wilderness. He just piled his ore outside the workings so that those who passed that way might see.

Got Big Money

Things couldn't go on like that for ever. He often talked to Bush about the problem of financing—doing things in a big way, as they should be done.. Mining experts smiled at Pat Daly and his tin whistle and thought everything he did was funny, especially his single-handed job at the Premier. But Pat Daly set out for Spokane, whistled some more crazy tunes, got R. K. Neill, noted engineer, to smile and then by cajolery induced him to inspect his mine. Neill sampled the ore and stopped smiling. "You've got something here worth while," he told the old prospector.

How Neill went home and with O. B. Bush interested A. B. Trites, W. R. Wilson and R. W. Wood in the Premier; how a single blast of dynamite worth eighty dollars revealed a cross-fracture of high grade ore and made the Portland Canal world famous as a mining country—these are now matters of mining history.

Pat Daly was handsomely rewarded, as most men are who know real values and remain faithful to their hope. He's a rich man now and every time the Premier pays another dividend he plays a sweeter tune.

And now, back in Montreal, he is playing again. He's not such a very old man—"nowheres near a hundred years since he was born"—and he's off for the northern trails again. He's organized a new company and plans to develop a claim on American creek—perhaps another Premier. Who knows? The only thing that's certain about it all is that when Pat heads north again he'll have his tin whistle with him. It keeps him company.

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Mining Inquiries

Gold L., Sladen M.

I am forced to market my small holdings on Cold Lake and Sladen-Malartic. Whom should I write?

Better write Mowat and McGillivary, Ottawa, and explain your position. They have sponsored both those issues.

B. C. Issues

I attach a list of likely-looking B. C. mine stocks. Will you select the ones regarded as having best chance?

Cork Province, Whitewater and Woodbine are the favored issues in the list you sent along. Whitewater seems to stand out as the most attractive of all.

Hollinger

A client has 100 Hollinger, costing $12. Stock has steadily fallen. Should he sell or hold?

In our issue of July 20, you will find an answer to an inquiry re Hollinger which deals with all the points you raise. We attach a clipping. Watch our paper of July 27.

Good Selection

I am thinking of buying some gold mine shares, Wright-Hargreaves, Sudbury Basin, Sherritt-Gordon, Howey and Bidgood.

Wright-Hargreaves, Howey and Bidgood are gold ventures. Sudbury Basin and Sherritt-Gordon are base metal operations. All five companies are in good hands.

Grace Mine Cos.

I hold United Algoma, now said to be controlled by Power & Mines Corp. What is the position of my stock?

Difficult to size up the position of United Algoma, Power & Mines and Grace Mine operation. We have never been attracted to this series of ventures which are all connected in some way or another.

Fisher Quebec

What is the outlook for Fisher Quebec mine? Are they making a real effort?

Fisher-Quebec Mines is trying to find a mine. The operation is in good hands and good progress is being made, though nothing conclusive is known yet. The showings in surface work were quite attractive.

Alschbach

I notice a paper, apparently a broker's, but it doesn't look like most of them. Says Alschback got $70 a ton over the width of the shaft. Is this good buying? Is the issue strongly sponsored?

Alschbach is a gamble in Kirkland Lake area. The stock is not too strongly sponsored. Brokers well posted on Kirkland issues advise there are several other stocks that appeal a great deal more than this one.

Holds 9 Stocks

I bought the following stocks: 400 Gold Hill, 12½c.; 10 Wright-Harg., $4.55; 50 Harry-H., 84c.; 50 Amulet, $3.25; 100 Howey, $1.04; 200 Clericy, 17½c.; 50 Premier, $2.28; 300 Stadacona, 15½c.; 50 McDougall, 38c. Would you sell any? What holds Premier down?

Gold Hill and Stadacona are not looking any too good as gambles. Clericy and McDougall are somewhat better, the former because of its wide holding and latter because of its proximity to Amulet and its financial position.

As you will see by our issue of July 20, outlook for Barry Hollinger is better than is generally believed. The others might be grouped. Howey and Amulet together and Premier and Wright-Hargreaves. We believe all should be held. Lack of market interest and fact that so much stock is held in large blocks, holds Premier down. It recently acquired three additional properties.

Sherritt-Gordon

I bought 200 Sherritt-Gordon at $6. Will I hold it for say one year? Will it pay to do so? Some say it will be a much longer hold than that.

Sherritt-Gordon is undoubtedly a long hold for big profits. A year, however, may make a big difference. Company is diamond drilling and sinking two shafts and can achieve a lot in the way of putting new ore in sight in 12 months. It will be news of new ore developments that will put the stock up.

Wainwell Oils

I hold two lots of Wainwell oils. Is it advisable to get more?

Wainwell Oils is an oil venture in Wainwright area. First well is completed and company claims it averages 360 barrels daily. The oil is a heavy crude. When tankage is available, production will start. Company has started its second well. Company recently split the stock 10 for one and plans to list soon. Also reported that company has bought Klingdel refinery, Wainwright.

Heavy List For Start

I want to buy some mine shares. How about Hollinger, $11.60; Amulet, $4.60; Barry-H., 56½c.; Kirkland Lake, $1.49; Sherritt-Gordon, $7; Sudbury Basin, $9.25; Wright-Hargreaves, $3.25, and Osisko, 58c.?

If you plan to buy all the stocks you list, you are spreading pretty well. Hollinger may work lower and if so should be satisfactory for yield. Sudbury Basin and Sherrit-Gordon are the other choices for a hold. Wright-Hargreaves should do better from now on.

Wright-Hargreaves

What is the best opinion on the Wright-Hargreaves outlook?

In our issue of July 20 you will find a short story on Wright-Hargreaves. The facts as outlined by President Cabana should prove encouraging to shareholders. The general opinion is that the worst is over for this stock. One leaves some criticism of the directors for cutting the dividend. We believe there was some difference of opinion over this. The company's financial position is such that the dividend could well have been paid in full and the facts as outlined by the president show that much improvement had taken place. However, the company has the cash in the treasury and of anything this should prove a confidence builder.

B. A. Oil, Amulet

I hold B. A. Oil and Amulet. Would you sell at present prices?

We would not advise selling B. A. Oil or Amulet.

Good Coast Stocks

I see your paper follows the B. C. mines carefully. What do you think of my list: Bush, Georgia River, Big Missouri, Midas, Alexandria and Premier?

At present prices any of the mining shares you mention are regarded as attractive.

Four Mine Issues

I hold McIntyre, $26; Castle, 74c.; Mining Corp., $4.24; Hudson Bay, $19.50. What is outlook for these for 1928? Will I sell and buy something else?

Best opinion is that McIntyre and Hudson Bay should sell higher this year. Mining Corporation may work down depending on the results of its silver operation, though its interest in Hudson Bay may prove a saving factor.

Castle's outlook continues as uncertain as it has for the past year with a weak silver market.

Standard Royalties

I attach a prospectus of Standard Royalties. What is your opinion of it?

It is dificult to pass on new royalty operations such as you ask about. There is the attractive dividend record of a number of such ventures to recommend them and a number of hazards to hold against them.

Management means everything. A wide experience in the oil business seems essential so as to pick royalty rights that will give the company a fair chance of getting back its money and making a profit.

Like mining, the oil game is a wasting asset so that a company has got to continue purchasing royalties to keep up its income, therefore it has got to have a steady supply of funds over and above dividend requirements. This must come from profits or the continued sale of new stock.

Northern Ont. China Clay

Will you kindly let me have your opinion of The Northern Ontario China Clay Corporation Ltd. with offices at 503 Northern Ontario Building, Toronto, Ont., as an investment?

The Northern Ontario China Clay Corporation, Limited, is still in the early stages of development and for that reason, stock in the company must be considered as quite speculative. It will be at least a year and possibly longer before the company will be on a producing basis, and moreover, the railway will have to be extended a distance of eight miles to their property before any of their product can be shipped out.

The company's deposits have been favorably reported by analysts of repute, and tests show that the deposits compare favorably with the deposits in Cornwall, England. Much will depend upon the deposits proving as valuable as these tests show, and the ability of the company to market their product. At the present time they are chiefly occupied with the problem of erecting a plant to wash the clay and put it in shape to ship. Clearing of the land and erection of this plant will take at least a year.

This deposit is said to be the first of its kind to be discovered in Canada and, we believe, on the continent, and in view of the favorable reports, has attractive possibilities, but as it is in its early stages without railway connections, over a year from production, and the market not yet guaranteed, the stock must be considered entirely as a speculation.

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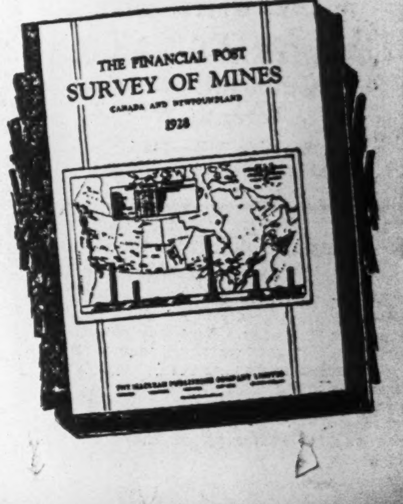

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The following prices are subject to confirmation:

	Bid	Asked
Astoria Rouyn	.07	.10
British Canadian	.08	.12
Bunker Hill Extension	.12	.15
Callinan Flin Flon	.60	.65
Creighton Fairbanks	.77	.85
Harker Gold	.18	.24
Marshay Zinc Units	19.00	23.00
Ostrom	.08	.11
Pandora Units	40.00	50.00
Rouyn Gold Pan	.30	.36
Wood Kirkland	.23	.26
Brownlee	.11	.15
Patterson Copper	.28	.34
Westree	.03	.06

Other Stocks quoted on application
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Recommend Clients to Pick up Pend Oreille

Miller Court & Co., Vancouver, are advising clients to pick up Pend Oreille stock on the dips. They say the stock will likely continue the present trend until late summer or early fall when there is every indication that it will again be under way for a strong upward movement. This house sponsored the original offering of these shares at below

KIRK LAKE GOLD CUTS RICH ORE ON 2,850 LEVEL

Forty Feet Runs to $50 — Drift is Still in Ore

By Staff Editor

KIRKLAND LAKE. — Kirkland Lake Gold has run into a rich ore shoot working east from the shaft on the 2,850 ft. level. The ore is running $50 to the ton over a width of 5½ feet, and $30 over eleven feet, the total width of the ore being 16 feet. The ore shoot was encountered 300 feet from the crosscut and has been drifted on for a distance of 100 feet. The drift has been in the high values for a distance of 40 feet, and there is still 200 feet to go to the boundary line.

The mill is treating 265 tons a day and producing from $40,000-$45,000 a month. Millheads are averaging from $9 to $10, and one day last week ran as high as $14.25.

The winze is now down to a depth of 2,950 feet and will be carried down to 2,975 where a station will be cut, and a new level established. Work is also being carried out on the 1,300, 2,350, 2,475, 2,600, and 2,725 levels. A total force of 125 men are employed.

MINING STOCK QUOTATIONS
Week Ending July 24

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close July 24	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	3.35	3.11	3.30	119061	4.90	.20	3.75	1.75
Aconda	1	....	....	.18	.15	.18	72950	.45	.14½	.47	.15
Afton	1	....	....	....	....	....	....	1.36	1.00	2.10	1.25
Albain M.	1	....	....	.90	.83	.90	900	....	....	.90	.20
Algonquin	1	....	....	.01½	.01½	.01½	3000	.05¼	.02	.03	.01
Amity C.	1	....	....	.55	.51	.51	78783	.50	.24½	.55½	.24
Amulet	1	....	....	4.70	4.10	4.16	134244	7.10	.85	5.45	3.00
Apex	1	....	....	.05¼	.05	.05	4600	.10	.01	.09	.03
Area	1	....	....	.45	.38	.40	56400	1.98	.23	.48	.14
Argo. Con.	1	....	....	.06	.05	.05¼	52134	.59	.25	.34	.04
Arno	1	....	....	.33	.26	.30	75600	....	....	.39½	.15½
Atlas	1	....	....	.02¼	.02	.02	25000	.07	.02	.04¼	.01¼
Ankerite	1	....	....	....	....	....	....	1.25	1.15	1.23	.25
Bayview	25c.	....	....	.07¼	.07¼	.07¼	38000	....	....	.12	.06¼
Bagamac	1	....	....	.12	.12	.12	1000	.19	.06	.17	.05
Baldwin	1	....	....	.02¼	.02	.02	13000	.05½	.01	.03½	.02
Barry Holl.	1	....	....	.58	.55	.55½	113210	1.50	.25	1.50	.55
Bathurst	None	....	....	.21	.20	.20½	25850	....	....	.35	.19¼
Beaver	1	....	....	.96	.89	.89	14500	2.75	.59½	2.25	.87
Bedford	1	....	....	.42½	.35	.40½	81150	.53	.19	.51	.32
Bellellen L.	1	....	....	....	....	....	....	.23½	.03	.03½	.02
Bidgood	1	....	....	.69	.59	.60	141525	1.83	.05	1.60	.61
Big Horn	.	....	....	.32	.30	.30	16400	....	....	.44	.25
Big Missouri	1	....	....	.75	.59	.59	427245	....	....	.90	.45
Boischatel	None	....	....	.03	.02	.02	5100	.27	.03	.05	.01¼
B.C. Devel.		....	....	....	....	....	....	1.32	1.12	2.00	1.32
Bower M.	1	....	....	....	....	....	....	....	....	1.22	.75
Buckingham	1	....	....	.07½	.07	.07	59200	.09½	.03	.08¼	.04½
Bunker Hill	None	....	....	....	....	....	....	....	....	.35	.35
Cambro	1	....	....	.40	.40	.40	1000	.58	.55	.55	.29
Can. Lorraine	1	....	....	.12	.12	.12	2500	.12	.10	.21	.10
Capitol S.	1	....	....	.10¼	.09	.09	11000	.34	.14	.18½	.09
Capitol R.	1	....	....	.14	.13	.13¼	48500	.54½	.10	.18	.11½
Cartier Mal.	1	....	....	....	....	....	....	....	....	.80	.29
Castle Tre.	1	....	....	.48	.46	.48	13850	1.27	.61	.81½	.46
Cen. Man.	1	....	....	1.05	1.00	1.00	47290	2.30	1.70	1.95	.90
Chaput H.	1	....	....	.14	.12	.13	41700	.20	.04⅛	.18	.08⅛
Clericy	None	....	....	.17½	.13	.14½	12000	.31½	.31	.36	.10
Clifton	1	....	....	.01	.01	.01	5500	.03½	.00½	.02	.00½
Coast Copper	5	....	....	44.50	38.00	40.00	2055	43.25	9.75	60.00	28.00
Col. Kirk	1	....	....	.03¼	.02¼	.02¼	31500	.16	.01½	.09½	.02
Cons. Copper	.	....	....	....	....	....	....	....	....	.14½	.10
Coniagas	5	....	....	4.90	4.80	4.80	800	5.05	3.20	5.50	4.25
Coniaurum	5	....	....	3.40	3.00	3.40	1956	5.78	2.80	5.50	3.00
Cons. Smelter	25	10+40	5.00	253½	251	250	2175	274½	215	289½	250
Copper Hill	1	....	....	....	....	....	....	.68	.36	.48	.44
Cork Prov.	25c.	....	....	.33	.31½	.33	52600	....	....	.47	.25
Corona	1	....	....	.06	.05	.05½	43850	.37	.10	.16	.05
Crown Res.	1	....	....	.49	.45½	.48¼	26793	.80	.39	.70	.39
Davidson	1	....	....	....	....	....	....	.08	.01	.03	.03
Dunkin	1	....	....	.39	.33	.39	5500	....	....	.55	.30
Destor	1	....	....	....	....	....	....	.43	.20	.28	.20
Dome Mines	None	$1	12.04	8.30	8.05	8.30	1730	14.60	6.85	13.35	8.00
Dom. Kirk.	1	....	....	.02	.01½	.01⅛	10500	.12½	.01½	.06½	.01
Don. Rouyn	1	....	....	.26	.19	.26	23900	.56½	.17½	.39	.10
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	.06¼	.05	.05½	46550	.21	.19¼	.12½	.05
Dupuy	1	....	....	....	....	....	....	.79½	.09	.10½	.10
Dunwell	1	....	....	....	....	....	....	....	....	.35	.20
Duthie	1	....	....	....	....	....	....	....	....	1.40	1.00
Everett	1	....	....	.02	.02	.02	1000	.05½	.01¼	.03	.01½
Federal Kirk	1	....	....	.42½	.40	.42½	19000	.78	.40	.77	.35
Fiske	1	....	....	....	....	....	....	....	....	.10	.03
George Cop.	1	....	....	4.80	4.70	4.70	570	....	....	6.00	2.50
Golconda	1	....	....	.92¼	.90	.92½	15300	....	....	.95	.69
Goldale	1	....	....	.29	.26	.26	8100	.57½	.20	.44	.26
Gold Hill	1	....	....	.08½	.07	.08½	94859	.54	.22	.38½	.07
Gold Reef	1	....	....	....	....	....	....	.02½	.01½	.03	.01
Goodfish	1	....	....	.54	.50	.51	119300	....	....	.78	.41½
Graham	1	....	....	.27	.18	.20	53000	....	....	.40	.18
Grandview	50c.	....	....	.37½	.35½	.35½	12100	....	....	.87	.30
Granada	1	....	....	.22½	.19¼	.20	74550	.41	.14½	.35¼	.19¼
Grover Valley	1	....	....	.11¼	.09¼	.10	26050	.37	.08	.15	.07
Harker	1	....	....	....	....	....	....	....	....	.43	.41
Harvie Exp.	None	....	....	....	....	....	....	2.40	.50	.85	.10
Hecla	1	....	....	....	....	....	....	....	....	1.30	.95
Hillcrest, c.	100	6	9.23	....	....	....	....	65.00	30.00	65.00	65.00
Hillcrest, p.	100	7	7.77	....	....	....	....	90.00	81.50	90.00	85.00
Hilltop	1	....	....	.10¼	.10	.10	14000	.25	.06½	.23½	.09¼
Hollinger	5	26	11.81	12.00	11.00	11.00	20717	22.65	16.40	18.10	10.25
Howey Gold	1	....	....	.97	.82	.92	237325	1.78	.42	1.91	.61
Hudson	None	....	....	19.25	18.25	18.50	17991	....	....	23.25	16.40
Indian	1	....	....	.06½	.06½	.06½	4500	.12	.04	.15	.04½
Int. Nickel	25	$2	2.16	94.25	90.50	92.25	26119	90.25	38.00	103.75	73.75
Jackson M.	1	....	....	.93	.80	.91	253150	.86	.36	.93	.65
Keeley	1	8	15.01	.58	.50	.53	4225	1.66	.69	.85	.50
Keora M.	1	....	....	.01	.01	.01	100	.13½	.02	.05	.01
Kirk. Hunt.	1	....	....	.10½	.10	.10¼	44550	.35½	.10	.26	.09¼
Kirk. Lake	1	....	....	1.60	1.48	1.55	88785	3.06	.82	2.75	1.20
Kirk. Prem.	1	....	....	....	....	....	....	....	....	.40	.14
Koot. Flor.	20c.	....	....	.28½	.25½	.25½	134600	.31	.21	.47	.25
L. Kamistokia	1	....	....	....	....	....	....	....	....	1.10	1.05
La Rose	1	....	....	.08⅛	.07½	.08⅛	2000	.12	.03	.08⅛	.03
Lake Shore	1	.80	3.71	22.00	21.50	21.50	5970	28.20	15.40	27.70	21.15
Lebel Ore	1	....	....	.26	.20	.20	5900	.66	.30	.59	.16½
Laval	1	....	....	.14¼	.12½	.13¼	87750	.59	.19¼	.28	.12½
Lorrain C.	1	....	....	.02	.00½	.02	10000	.03¼	.01	.03	.00½
Lorrain T. L.	1	....	....	....	....	....	....	.86	.52	.70	.30
Lucky Jim	10c.	....	....	.33	.32	.32	283000	....	....	.44	.26
McLeod R.	1	....	....	....	....	....	....	....	....	.35¼	.34½
Mandy	1	....	....	3.30	3.08	3.18	73515	....	....	3.50	2.60
Macassa	1	....	....	.30	.28	.28	6250	.65	.18	.55½	.27
Malartic	1	....	....	1.45	1.25	1.28	204900	.78	.23½	1.80	.70
Marriott	1	....	....	.09	.09	.09	2000	.45	.35	.46	.09
McDougall	1	....	....	.40½	.35½	.40½	48050	.90	.24	.74¼	.34
McKinley	1	....	....	.17	.17	.17	100	.25½	.11	.21	.16
McIntyre	5	20	4.04	22.50	22.00	22.25	5125	29.00	24.00	29.00	22.00
Mentor	10	....	....	....	....	....	....	14.00	12.00	13.00	12.50
Millcrest	1	....	....	.05	.04	.04	10500	.15	.02	.12	.04
Mining Corp.	5	.08	....	3.58	3.40	3.40	12230	5.02	2.90	5.50	3.18
Moneta	1	....	....	....	....	....	....	.15½	.06¼	.12	.07
Montreal R.	1	....	....	.04¼	.04¼	.04¼	1000	.35	.10	.16	.04¼
Mint Ore	1	....	....	.35	.35	.35	3500	....	....	.44	.25
Mond Nickel	£1	....	....	43.50	43.50	43.50	65	....	....	46.50	31.00
Moss	1	....	....	.40	.25	.25	1200	....	....	.70	.35
Murphy	1	....	....	.30	.28	.28	1500	....	....	.49¼	.28
Moffatt Hall	1	....	....	.22	.20	.20½	148225	....	....	.35¼	.15
Nat. P. & D.	.	....	....	....	....	....	....	....	....	15.75	1.00
Nat. Silver	50c.	....	....	....	....	....	....	....	....	.20½	.17½
Newbec	1	....	....	.33	.27½	.27½	146925	1.20	.62½	.66	.23
Night Hawk	1	....	....	.07	.07	.07	9500	.10½	.04	.10	.05½
Nipissing	5	6	8.82	3.62	3.40	3.40	2812	10.30	5.25	6.00	3.40
Noranda	None	....	....	60.50	51.25	55.50	228101	25.80	19.95	64.50	17.00
Notre Dame	1	....	....	.63	.61	.62	5900	....	....	.67½	.50
Ophir	1	....	....	....	....	....	....	.04⅛	.00¼	.03	.01
Osisko	.	....	....	.59	.55	.55	5400	....	....	.75	.35
Picard	1	....	....	.10½	.08	.08½	81000	....	....	.77	.04⅛
Pawnee Kirk.	1	....	....	.30	.19½	.24	63150	.78	.64	.80	.19½
Pend Ore	1	....	....	15.25	14.25	14.25	8435	....	....	25.50	8.00
Pend pref.	.	....	....	....	....	....	....	....	....	1.40	.95
P. L. Cobalt	1	....	....	.27	.24¼	.26½	56300	.18	.02	.30	.06
Porc. Crown	1	....	....	....	....	....	....	.11	.03	.08	.03
Pioneer	1	....	....	.54	.49¼	.51	53650	1.18	.45	.68	.47
Potter Doal	None	....	....	.13¼	.09½	.10	229250	.65	.10½	.22	.09½
Premier Gold	1	24	10.43	2.35	2.25	2.30	5025	2.50	1.83	3.50	2.15
Preston	1	....	....	.03	.03	.03	5000	.07	.03	.05	.02
Porter Idaho	50c.	....	....	.74	.70	.74	10200	....	....	.88	.45
Ridgedome	1	....	....	....	....	....	....	....	....	1.25	1.03
Ribago	1	....	....	.09¼	.08	.09	40100	.87	.13	.25	.07
Rouyn G.	1	....	....	....	....	....	....	.04½	.02½	.03½	.01½
Rouyn, Que.	1	....	....	....	....	....	....	.04	.01⅛	.02	.01½
Rubec	1	....	....	.10	.08	.10	1100	3.65	.80	.80	.08
Realty & M.	None	....	....	.42	.42	.42	2300	.38	.15	.54¼	.09½
R. Montbray	.	....	....	.19	.17	.17	13710	....	....	.32	.17
Ruth Hope	1	....	....	.56½	.56	.56½	9700	....	....	.68	.44
Rouyn Kenn.	1	....	....	....	....	....	....	....	....	1.10	1.10
Rufus Argenta	.	....	....	.23	.20	.20	19100	....	....	.37	.16
Simard	.	....	....	8.00	8.00	8.00	415	....	....	11.50	8.00
Silversmith	20c.	....	....	....	....	....	....	....	....	.23	.12
Slocan King	20c.	....	....	....	....	....	....	....	....	.11	.08
Selkirk	.	....	....	....	....	....	....	....	....	.03	.02¼
San Antonio	None	....	....	.51	.43½	.51	157940	.57	.80	.57½	.38
Siscoe	1	....	....	.51	.49	.51	8000	.60	.12	.60	.15
South Keora	1	....	....	....	....	....	....	.64½	.04½	.17¼	.03½
Stadacona	None	....	....	.17½	.15	.15½	57950	.55	.15	.21½	.09
St. Anthony	1	....	....	.46	.46	.46	500	.50	.16	.52	.33
Sudbury M.	1	....	....	.05	.05	.05	2800	....	....	.33½	.04
Sylvanite	1	....	....	2.50	2.10	2.10	12200	4.80	2.60	3.90	2.10
Sherritt G.	1	....	....	7.10	6.40	6.55	62180	....	....	8.40	5.60
Sud. Basin	None	....	....	9.40	7.50	7.70	112700	....	....	12.00	7.50
Sud. Contact	1	....	....	.30	.23	.25	42700	....	....	.50	.19
Sunloch	1	....	....	2.25	2.10	2.25	550	....	....	6.50	2.20
Thom. Cad'c	1	....	....	.66	.58	.58	9300	....	....	1.06	.57½
Topley	.	....	....	.58	.57	.57	16400	....	....	.65	.55½
Teck Hughes	1	60c.	6.21	9.99	9.25	9.50	66422	12.00	5.37	11.60	7.85
Telluride	1	....	....	....	....	....	....	.38	.35	.58	.37
Tough Oakes	1	....	....	.24¼	.19½	.20	129090	.82	.25	.79	.19½
Towagmac	1	....	....	3.90	3.55	3.55	13083	5.75	2.85	4.10	2.25
Timiskaming	1	....	....	....	....	....	....	.12	.04	.10¼	.05
Treadwell Y.	1	....	....	18.45	17.80	8.00	1835	26.75	18.50	32.00	16.95
Thom. Krist	1	....	....	....	....	....	....	.02	.00½	.01½	.01
United Kirk.	1	....	....	....	....	....	....	....	....	.20	.10
Vaughan	1	....	....	....	....	....	....	....	....	1.70	1.15
Vickers	1	....	....	.78	.78	.78	500	1.52	.25	1.25	.60
Vipond	1	....	....	.51½	.44	.48	69382	1.74	.47	.99	.44
Wakenda	1	....	....	....	....	....	....	.16	.01	.15½	.06
West D. Lake	1	....	....	.11	.08½	.08¼	45400	.20	.08	.17½	.08½
Wiltsey C.	1	....	....	....	....	....	....	.74	.50	.56	.38
Wright Har.	None	10c.	3.17	3.30	3.00	3.15	124853	8.45	5.50	6.80	3.00
Windfall R.	None	....	....	.12½	.09	.09	52700	.31	.19¼	.25	.07
Whitewater	1	....	....	2.35	2.30	2.30	2790	....	....	2.85	2.25
Woodbine	None	....	....	.31½	.30	.30	24300	....	....	.46	.27

CALGARY OIL STOCK

	Par Val.	Div. Rate	Yield	High for wk.	Low for wk.	Close July 24	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Acme	.	....	....	.26	.26	.26	100	....	....	.30	.17
Advance	1	....	....	.62½	.55	.55	1170	....	....	.95	.25
Alta. Pac.	1	....	....	.53	.52½	.52½	3545	....	....	.81	.30
Black Dia.	.	....	....	....	....	....	....	....	....	.35	.26
Brit. Dom.	1	....	....	.47	.45	.45	1883	....	....	.75	.25
Calmont Es.	.	....	....	.80	.72½	.80	200	....	....	1.00	.72½
Calmont	1	....	....	....	....	....	....	....	....	2.10	.77½
Cal. Pet. P.	.	....	....	....	....	....	....	....	....	5.50	4.25
Cherokee		....	....	....	....	....	....	....	....	.07	.06
Dalhousie	None	....	....	2.65	2.50	2.53	4078	....	....	4.25	2.25
Devenish	None	....	....	.58	.57	.57	2009	....	....	.75	.27
Great West	1	....	....	....	....	....	....	....	....	.34	.10
Ill. Alta	1	....	....	.55	.53½	.53½	2440	....	....	.77½	.45
Madison	.	....	....	....	....	....	....	....	....	.20	.14
Mayland	.	....	....	1.35	1.30	1.30	1100	....	....	1.47½	1.06
McD. S. Ex.	1	....	....	2.35	2.15	2.30	8415	....	....	3.00	1.40
McD.S.(new)	1	....	....	1.37½	1.20	1.20	930	....	....	1.80	1.00
McLeod	1	....	....	4.90	4.75	4.75	2982	....	....	7.10	2.97
Mid West	1	....	....	.30	.30	.30	32	....	....	.50	.26
Mill City	1	....	....	.35	.35	.35	500	....	....	.55	.27
Moose M'tn	1	....	....	....	....	....	....	....	....	.30	.25
Okalta, c.	None	....	....	32.50	30.00	30.00	10	....	....	47.00	20.00
Okalta, p.	100	....	....	82.50	82.50	82.50	3	....	....	100.00	70.00
Ranchmen's	1	....	....	....	....	....	....	....	....	.80	.55
Regent		....	....	....	....	....	....	....	....	.25	.25
Royalite	None	....	....	64.50	63.40	64.00	148	....	....	84.00	45.00
Signal Hill	1	....	....	.16	.15½	.15½	3610	....	....	.30	.12½
Spooner	1	....	....	1.70	1.58	1.70	1680	....	....	3.00	1.10
Stockmen	1	....	....	....	....	....	....	....	....	.60	.32
Turner Valley	1	....	....	.42½	.35	.42½	200	....	....	.70	.30
United	1	....	....	1.75	1.70	1.70	1680	....	....	2.65	1.12
Vulcan	1	....	....	2.05	2.00	2.02	1511	....	....	3.03	2.00
N.W. Pacific	.	....	....	....	....	....	....	....	....	.09	.09
Dallas	.	....	....	....	....	....	....	....	....	.30	.30

EARLY PORCUPINE STAKING IS NOW BEING DEVELOPED

Canusa Co. is Opening Up Scottish Ontario Property

HAS RICH ORE

Leasors Operated During Past Winter and Met with Considerable Success

By Staff Editor

HAILEYBURY.—Active mining development of the old Scottish-Ontario property in the Porcupine Camp is now being carried on by Canusa Mining and Exploration Co. Lumber for camp buildings has been taken in, and a complete mining plant which will permit of operations to a depth of 800 feet is now on the road to the property.

It is one of the paradoxes of mining that this property on which the first gold was found in Porcupine is the last on which a development at depth program is to be undertaken. According to the historians of the camp, George Bannerman the staker of the Bannerman claims which form part of the Canusa holdings was coming out with the first gold from the Porcupine when he met Benny Hollinger on his way in to stake, what has since become, the world famous Hollinger Mine.

Idle Many Years

Bannerman's claims were optioned by Alex. Miller who disposed of the property to the Scottish-Ontario, a company largely financed in Scotland. Peter MacLaren was appointed mine manager and under his direction some ten thousand pounds sterling was spent in development. A shaft was sunk to a depth of about 150 feet, all by hand steel, and considerable crosscutting and drifting carried out. Following the Porcupine fire of 1913 the property went into litigation and lay idle for many years until it was bought in by Gordon Gauthier, the Timmins lawyer, who formed the Scottish-Ontario syndicate. Last fall a small group took a lease on the property and put a small amalgamating assay plant on the property. High grade ore was bagged from the "pay streak vein" and put through this mill. Royal Mine returns show that from the end of October to the end of December last, some $5,800 in gold was recovered.

Production to Date

In March a 5½ ft. ball mill, a 12 ft. amalgamating plate, and a 16 ft. Wifley table was put in and was operated until the termination of the lease and the taking over of the property by Canusa in April.

It has been estimated that from $20,000 to $25,000 in gold has been recovered from the property during the operations of the Scottish-Ontario and the latest lessees of the property.

The property lies on the same shear zone as the Hollinger, McIntyre and Coniaurum. It is some five miles from the Hollinger in a northeast direction and is separated from the Coniaurum, the nearest operation, by low lying ground.

Surface showings consist of a number of parallel veins. Two of these have been traced a mile, and four others for practically a half a mile. All the veins with the two exceptions, show free gold.

A 12 inch vein through which there is a 6 inch high grade streak has been worked from an open cut for a distance of 40 feet. It was from this high grade that the last lessees recovered their ore.

Will Use Old Shaft

Canusa plans on uisng the old two compartment shaft sunk by the Scottish Ontario. The vein will be cut on the 100 ft. level and ore blocked out. Later the shaft will be dropped to the 250 ft. level, and a crosscut run in to tap the vein.

According to Geo. J. Miller, president of Canusa, the mining plant will be erected within 30 days, together with camp buildings and a new head frame. The erection of a 100 ton pilot mill and an amalgamation and concentration plant is proposed.

The Canusa development is being followed with much interest in the Porcupine camp. Peter MacLaren and Louis Whitman, mining engineers have both reported favorably on the property.

Whiteman in his report states that "No other property in Porcupine has surface showings equal to those found on this property and recent work has shown up some of its real merit." As all the veins carry commercial values at surface, the property can be developed with relatively small capital and can be made to pay its way by the installation of a small mill to treat high grade, the tailings and lower grade to be stored pending the erection of a larger mill with lower milling costs.

"There is no better opportunity in the North Country to-day to develop along these lines and you have the example of the McIntyre paying for its development out of earnings and at the same time keeping up its dividend payments on a fair basis. I have no hesitation in highly recommending the property for immediate serious development along the economical lines suggested."

The Canusa Mining and Exploration Co. has a capitalization of 3,000,000 shares of $1 par value each. 1,250,000 shares were issued for the property, 100,000 sold to the public at 40 cents a share, and 1,650,000 shares remain in the treasury.

New Brunswick Coal Mining Operations Will Start Shortly

From Our Own Correspondent

MONTREAL. — Coal mining operations in the bituminous fields of New Brunswick are about ready to get under way for the fall and winter business.

An added stimulant to mining is expected through the report that the Dominion Fuel Board will add the New Brunswick mines to the list of those which have a special rate of $2.10 per ton to central markets.

That rate was given on New Brunswick coal in the winter, but, as the demand at that season is sufficient to keep the mines active in any year, it was deemed more advantageous to extend the rate to the summer months. This should make it possible for New Brunswick coal to be placed in the centres of Quebec on favorable conditions.

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LEAD-ZINC OUTPUT OF SMELTERS SHOWS MATERIAL ADVANCE

Quarter Figures Show Jump in Base and Fall in Precious Metals

Consolidated Smelters lead and zinc production at Trail, B.C., will be substantially higher this year compared with 1927, if the figures for the second quarter are maintained for the second half of the year. On the other hand, gold production, as was the case last year continues disappointing. Silver is also slightly down while copper did a little better.

Lead production for the 3 months was 40,136 or 2,446 tons above the same period of 1927. Zinc at 19,685 tons was up 4,574 tons.

The figures for the quarter with comparative totals follow:

	1927	1928
Lead, tons	37,688	40,136
Zinc, tons	15,111	19,685
Zinc, in concentrates exported, tons	318	......
Copper, tons	2,303	2,438
Gold, ounces	7,156	6,027
Silver, ounces	1,781,432	1,734,185
Cadmium, tons	......	81

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Mines Approach Dividend Stage

Your name on our mailing list may turn the tide of fortune for you.

WE ARE receiving almost daily development and production reports from the mines. Accurate information gathered by mining experts of proven integrity is the basis for our recommendations.

Several properties which we have sponsored are now earning steady profits. Included are Whitewater, Lucky Jim and Ruth Hope. They will soon pay dividends.

Cork Province and Noble Five are fast approaching the production stage. On both properties work preparatory to concentrating ore is being rushed.

Reports from Topley-Richfield indicate that the property has a spectacular future. Values are steadily increasing as development proceeds.

We firmly believe that present prices of these stocks are far below their true value.

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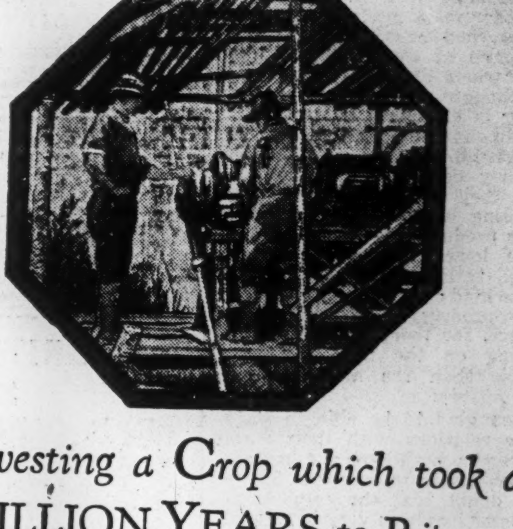

Harvesting a Crop which took a MILLION YEARS to Ripen

BETWEEN equinox and equinox the farmer's crop is planted, it grows, ripens and is harvested. Within a year it is marketed and consumed.

Compare this to the crop of hidden wealth in the mineral bearing rocks below the top soil. Aeons in the making — once discovered it is indestructible and permanently adds to the wealth of the nation.

The farmer gambles on the weather from seed time to harvest. The miner gambles on the richness of a given ore body, but once this is determined by scientific tests the returns on a moderate investment in mining prove to be exceedingly profitable.

Canada Quebec Mining Corporation will develop claims in the most promising sections of Northern Quebec. Due to the diverse nature and location of its properties, it has nine chances out of ten in its favor.

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